

ESTTA Tracking number: **ESTTA420103**

Filing date: **07/15/2011**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91184978
Party	Plaintiff McNeil-PPC, Inc.
Correspondence Address	LAURA POPP-ROSENBERG FROSS ZELNICK LEHRMAN & ZISSU PC 866 UNITED NATIONS PLAZA NEW YORK, NY 10017 UNITED STATES lrosenberg@fzlz.com
Submission	Brief on Merits for Plaintiff
Filer's Name	Laura Popp-Rosenberg
Filer's e-mail	lpopp-rosenberg@fzlz.com,gwoo@fzlz.com,ykarzoan@fzlz.com
Signature	/Laura Popp-Rosenberg/
Date	07/15/2011
Attachments	WAL-ZYR Trial Brief (REDACTED) (F0827827).PDF (73 pages)(1476012 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNEIL-PPC, INC.,

Opposer,

-against-

WALGREEN CO.,

Applicant.

Opposition No. 91184978

TRIAL BRIEF FOR OPPOSER

Laura Popp-Rosenberg
Giselle C. Woo
FROSS ZELNICK LEHRMAN & ZISSU, P.C.
866 United Nations Plaza
New York, New York 10017

Attorneys for Opposer McNEIL-PPC, Inc.

TABLE OF CONTENTS

TABLE OF AUTHORITIES	iv
I. INTRODUCTION	1
II. FACTUAL RECORD	2
A. Stipulations of the Parties	2
B. McNEIL's Evidence	2
C. Walgreens' Evidence	4
III. EVIDENTIARY OBJECTIONS TO WALGREENS' EVIDENCE	4
IV. STATEMENT OF FACTS	5
A. Origins of the ZYRTEC Brand	5
1. Prescription ZYRTEC Medicine.....	5
2. McNEIL's Rights in the ZYRTEC mark	6
B. The ZYRTEC Brand Today	7
1. Over-the-Counter ZYRTEC Launch.....	7
2. Distribution of ZYRTEC Products	10
3. Sales Volume of ZYRTEC Products	11
4. Direct Advertising and Promotion of the ZYRTEC Mark.....	12
5. Indirect Advertising and Promotion of the ZYRTEC Mark	13
6. Consumer Awareness of the ZYRTEC Brand	14
7. McNEIL's Policing Efforts.....	14
8. Registration of the ZYRTEC Mark.....	15
C. Walgreens and its WAL-ZYR Mark.....	15
1. Walgreens' Selection of the WAL-ZYR Mark	15
2. Walgreens' Presentation of the WAL-ZYR Mark	18
3. Actual Confusion	20
4. Walgreens' Application for the WAL-ZYR Mark.....	22
D. United States Marketplace	22
V. ARGUMENT	23
A. McNEIL Has Standing to Bring This Opposition.....	24
B. McNEIL Has Established Priority	25

C.	Walgreens' WAL-ZYR Mark is Confusingly Similar to McNEIL's ZYRTEC Mark.....	26
D.	Application of the <i>du Pont</i> Factors.....	26
1.	Opposer's ZYRTEC Mark is Strong and Entitled to a Broad Scope of Protection	28
a.	<i>The ZYRTEC Mark is Inherently Strong</i>	28
b.	<i>The ZYRTEC Mark Has Marketplace Strength</i>	28
i.	<i>Survey Evidence of Consumer Awareness of the ZYRTEC Mark</i>	29
ii.	<i>The ZYRTEC Mark Has Been Used and Advertised Extensively, and Has Enjoyed Strong Sales Success</i>	29
2.	Walgreens' Goods are Identical to McNEIL's Goods.....	31
3.	The Parties' Marks are Similar	31
4.	The Parties' Trade Channels and Customers Overlap.....	34
5.	The Parties' Consumers are Neither Sophisticated Nor Necessarily Careful.....	34
6.	There is No Evidence of Third Party Uses That Weaken the ZYRTEC Mark...	35
7.	The Potential for Confusion Between the Parties' Marks is Great.....	38
8.	Walgreens Has Acted in Bad Faith.....	39
9.	Other Probative Evidence	40
10.	Balancing the <i>du Pont</i> Factors.....	42
E.	The WAL-ZYR Mark is Likely to Dilute the Distinctive Character of the ZYRTEC Mark.....	42
1.	The ZYRTEC Mark is Famous.....	43
2.	Walgreens' WAL-ZYR Mark is Likely to Dilute McNEIL's ZYRTEC Mark.....	45
VI.	CONCLUSION.....	47
	APPENDIX: Descriptions of Opposer's Exhibits	A-1

TABLE OF AUTHORITIES

FEDERAL CASES

<i>A & H Sportswear, Inc. v. Victoria’s Secret Stores, Inc.</i> , 57 U.S.P.Q.2d 1097 (3d Cir. 2000).....	32
<i>AMF Inc. v. Am. Leisure Products., Inc.</i> , 177 U.S.P.Q. 268 (C.C.P.A. 1973)	36
<i>In re Angelo Ghailien</i> , S.N. 78654584, 2010 WL 2191887 (T.T.A.B. May 18, 2010).....	38
<i>Apple Computer v. TVNET.net, Inc.</i> , 90 U.S.P.Q.2d 1393 (T.T.A.B. 2007)	32
<i>Bandag, Inc. v. Al Bolser’s Tire Stores, Inc.</i> , 223 U.S.P.Q. 982 (Fed. Cir. 1984).....	39
<i>Blansett Pharmacal Co. v. Carmick Laboratories Inc.</i> , 25 U.S.P.Q.2d 1473 (T.T.A.B. 1992)	38, 41
<i>Bose Corp. v. QSC Audio Products., Inc.</i> , 63 U.S.P.Q.2d 1303 (Fed. Cir. 2002)	29, 31, 46
<i>Century 21 Real Estate Corp. v. Century Life of America</i> , 23 U.S.P.Q.2d 1698 (Fed. Cir. 1992).....	32
<i>Chandon Champagne Corp. v. San Marino Wine Corp.</i> , 142 U.S.P.Q. 239 (2d Cir. 1964).....	26
<i>Charrette Corp. v. Bowater Commcuniation Papers, Inc.</i> , 13 U.S.P.Q.2d 2040 (T.T.A.B. 1989)	36
<i>Checkpoint Systems, Inc. v. Check Point Software Technologies., Inc.</i> , 60 U.S.P.Q.2d 1609 (3d Cir. 2001).....	39
<i>Chemical New York Corp. v. Conmar Form Sys., Inc.</i> , 1 U.S.P.Q.2d 1139 (T.T.A.B. 1986)	24-25
<i>Chicago Bears Football Club, Inc. v. 12th Man/Tennessee L.L.C.</i> , 83 U.S.P.Q.2d 1073 (T.T.A.B. 2007)	24
<i>Clifton v. Plough</i> , 144 U.S.P.Q. 599 (C.C.P.A. 1965).....	41
<i>Corning Inc. v. Vitrocrisa S.A. de C.V. Co.</i> , Opp. No. 91119107, 2005 WL 847430 (T.T.A.B. March 14, 2005).....	38
<i>Cunningham v. Laser Golf Corp.</i> , 55 U.S.P.Q.2d 1842 (Fed. Cir. 2000).....	23, 34
<i>In re E. I. du Pont de Nemours & Co.</i> , 177 U.S.P.Q. 563 (C.C.P.A. 1973)	<i>passim</i>
<i>In re Elbaum</i> , 211 U.S.P.Q. 639 (T.T.A.B. 1981)	34
<i>Era Corp. v. Electronic Realty Associates, Inc.</i> , 211 U.S.P.Q. 734 (T.T.A.B. 1981)	26
<i>Eli Lilly & Co. v. Natural Answers, Inc.</i> , 56 U.S.P.Q.2d 1942 (7th Cir. 2000).....	30, 44

<i>Eli Lilly & Co. v. Natural Answers, Inc.</i> , 86 F. Supp. 2d 834 (S.D. Ind. 2000)	35
<i>Gaby, Inc. v. Irene Blake Cosmetics</i> , 76 U.S.P.Q. 603 (C.C.P.A. 1948).....	37
<i>Giant Food, Inc. v. Nation’s Foodservice, Inc.</i> , 218 U.S.P.Q. 390 (Fed. Cir. 1983)	32
<i>Gillette Canada Co. v. Kivy Corp.</i> , Opp. No. 91116804, 2003 WL 203123 (T.T.A.B. Jan. 29, 2003)	40
<i>Gillette Canada Inc. v. Ranir Corp.</i> , 23 U.S.P.Q.2d 1768 (T.T.A.B. 1992)	27
<i>Glenwood Laboratories, Inc. v. American Home Products. Corp.</i> , 173 U.S.P.Q. 19 (C.C.P.A. 1972)	41
<i>Hasbro, Inc. v. Braintrust Games, Inc.</i> , Opp. No. 91169603, 2009 TTAB LEXIS 543 (T.T.A.B. Aug. 24, 2009)	36
<i>H-D Michigan, Inc. v. Hog Cream Enterprises</i> , Opp. No. 91152998, 2005 WL 548066 (T.T.A.B. Feb. 24, 2005)	38
<i>HSN LP v. Chang</i> , Opp. Nos. 91173579 & 91177186, 2009 WL 1896060 (T.T.A.B. June 15, 2009)	29
<i>Herbko International, Inc. v. Kappa Books, Inc.</i> , 64 U.S.P.Q.2d 1375 (Fed. Cir. 2002)	25, 26
<i>In re Hub Distributing, Inc.</i> , 218 U.S.P.Q. 284 (T.T.A.B. 1983)	36
<i>J.L. Prescott Co. v. Blue Cross Laboratories, (Inc.)</i> , 216 U.S.P.Q. 1127 (T.T.A.B. 1982)	25
<i>Jewelers Vigilance Committee, Inc. v. Ullenberg Corp.</i> , 2 U.S.P.Q.2d 2021 (Fed. Cir. 1987).....	24
<i>Kabushiki Kaisha Hattori Tokeiten v. Scuotto</i> , 228 U.S.P.Q. 461 (T.T.A.B. 1985)	37
<i>Kenner Parker Toys, Inc. v. Rose Art Industries, Inc.</i> , 22 U.S.P.Q.2d 1453 (Fed. Cir. 1992).....	27, 28
<i>Kos Pharmaceuticals, Inc. v. Andrx Corp.</i> , 70 U.S.P.Q.2d 1874 (3d Cir. 2004)	30, 41
<i>L.A. Gear, Inc. v. Calcados Ferracini Ltda.</i> , Opp. No. 91168866, 2009 WL 4086545 (T.T.A.B. Sept. 23, 2009)	40
<i>Lambert Pharmacal Co. v. Bolton Chemical Corp.</i> , 219 F. 325 (S.D.N.Y. 1915).....	40
<i>Levi Strauss & Co. v. Abercrombie & Fitch Trading Co.</i> , 97 U.S.P.Q.2d 1947 (9th Cir. 2011)	45
<i>In re MBNA America Bank, N.A.</i> , 67 U.S.P.Q.2d 1778 (Fed. Cir. 2003)	28
<i>McNeil Consumer Brands, Inc. v. U.S. Dentek Corp.</i> , 56 U.S.P.Q.2d 1758 (E.D. Pa. 2000)	44
<i>Morgenstern Chemical Co. v. G.D. Searle & Co.</i> , 116 U.S.P.Q. 480 (3d Cir. 1958)	39, 41

<i>Moseley v. V Secret Catalogue, Inc.</i> , 537 U.S. 418 (2003)	32
<i>Motion Picture Association of America, Inc. v. Respect Sportswear, Inc.</i> , 83 U.S.P.Q.2d 1555 (T.T.A.B. 2007)	29
<i>National Aeronautics v. Record Chemical Co.</i> , 185 U.S.P.Q. 563 (T.T.A.B. 1975).....	36
<i>National Pork Board v. Supreme Lobster & Seafood Co.</i> , 96 U.S.P.Q.2d 1479 (T.T.A.B. 2010)	24, 44, 45
<i>Nautilus Group, Inc. v. ICON Health & Fitness, Inc.</i> , 71 U.S.P.Q.2d 1173 (Fed. Cir. 2004).....	39
<i>Nina Ricci S.A.R.L. v. E.T.F. Enterprises, Inc.</i> , 12 U.S.P.Q.2d 1901 (Fed. Cir. 1989).....	27
<i>Opryland USA Inc. v. Great American Music Show, Inc.</i> , 23 U.S.P.Q.2d 1471 (Fed. Cir. 1992).....	27
<i>Otto Roth & Co. v. Universal Foods Corp.</i> , 209 U.S.P.Q. 40 (C.C.P.A. 1981).....	25, 26
<i>Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772</i> , 73 U.S.P.Q.2d 1689 (Fed. Cir. 2005).....	35, 44
<i>Promark Brands Inc. v. Schwans IP LLP</i> , Opp. No 91159653, 2007 WL 2415748 (T.T.A.B. Aug. 17, 2007).....	38
<i>Recot, Inc. v. Becton</i> , 54 U.S.P.Q.2d 1894 (Fed. Cir. 2000)	35
<i>Revlon, Inc. v. La Maur, Inc.</i> , 157 U.S.P.Q. 602 (T.T.A.B. 1968).....	25
<i>Ritchie v. Simpson</i> , 50 U.S.P.Q.2d 1023 (Fed. Cir. 1999).....	24
<i>Sealed Air Corp. v. Scott Paper Co.</i> , 190 U.S.P.Q. 106 (T.T.A.B. 1975)	32
<i>Seven-Up v. Tropicana Products, Inc.</i> , 148 U.S.P.Q. 604 (C.C.P.A. 1966).....	33
<i>Starbucks Corp. v. Wolfe’s Borough Coffee, Inc.</i> , 92 U.S.P.Q.2d 1769 (2d Cir. 2009).....	45, 46
<i>Syngenta Crop Protection, Inc. v. Bio-Chek L.L.C.</i> , 90 U.S.P.Q.2d 1112 (T.T.A.B. 2009)	24, 25
<i>Syntex Laboratories, Inc. v. Norwich Pharmacal Co.</i> , 169 U.S.P.Q. 1 (2d Cir. 1971)	41
<i>Tea Board of India v. Republic of Tea, Inc.</i> , 80 U.S.P.Q.2d 1881 (T.T.A.B. 2006)	28
<i>Uncle Ben’s, Inc. v. Stubenberg International, Inc.</i> , 47 U.S.P.Q.2d 1310 (T.T.A.B. 1998)	41
<i>Venture Out Properties L.L.C. v. Wynn Resorts Holdings, L.L.C.</i> , 81 U.S.P.Q.2d 1887 (T.T.A.B. 2007)	23
<i>W. E. Kautenberg Co. v. Ekco Products Co.</i> , 116 U.S.P.Q. 417 (C.C.P.A. 1958).....	28, 32
<i>William Carter Co. v. H.W. Carter & Sons, Inc.</i> , Opp. No. 91111355, 2004 WL 506139 (T.T.A.B. Feb. 27, 2004)	38

<i>Wilson v. Delaunay</i> , 114 U.S.P.Q. 339 (C.C.P.A. 1957).....	25
---	----

FEDERAL STATUTES

15 U.S.C. § 1051(b)	22
15 U.S.C. § 1052(d)	26, 27
15 U.S.C. § 1052(f).....	47
15 U.S.C. § 1063(a)	24
15 U.S.C. § 1125(c)(1).....	43
15 U.S.C. § 1125(c)(2)(A)	43
15 U.S.C. § 1125(c)(2)(B)	45

TREATISES

3A Louis Altman, <i>Callman on Unfair Competition, Trademarks & Monopolies</i>	35
J. Thomas McCarthy, <i>McCarthy on Trademarks & Unfair Competition</i> (4th ed. 2011)	26, 28, 32, 34

I. INTRODUCTION

The ZYRTEC product, with sales of over **Redacted**, is one of the most successful allergy medicines in history. Long available only by prescription, it became available “over-the-counter” (*i.e.*, available on a non-prescription basis) in January 2008 when the active ingredient, cetirizine hydrochloride (“HCl”), was no longer protected by patent. Although anyone may sell cetirizine HCl, no one but Opposer McNEIL-PPC, Inc. (“McNEIL”) may use the ZYRTEC trademark in the United States. Applicant Walgreen Co. (“Walgreens”), a distributor of ZYRTEC products, took advantage of its early access to over-the-counter ZYRTEC products and marketing plans to design and market its own cetirizine HCl product under the blatantly infringing trademark WAL-ZYR. Rather than choose a unique brand name or follow the common practice of using the active ingredient to identify its store brand product, Walgreens chose the mark WAL-ZYR, thereby prominently referencing the ZYRTEC mark on its packaging, creating a false association between the two products, trading on the enormous and hard-earned goodwill in the ZYRTEC trademark, and confusing consumers.

In light of the strength of the ZYRTEC mark, the substantial similarity of the mark ZYRTEC to the mark WAL-ZYR, and the identity of the parties’ goods offered under their respective marks, Walgreens’ registration and use of the WAL-ZYR mark in connection with allergy medications is likely to cause confusion, mistake or deception in the marketplace and is likely to dilute the distinctiveness of the ZYRTEC mark. Therefore, Walgreens’ application to register the mark WAL-ZYR must be denied under Sections 2(d) and (f) of the Lanham Act.

II. FACTUAL RECORD

A. Stipulations of the Parties

The parties stipulated that documents produced in discovery from their respective files and those of their agents would be deemed authentic for purposes of the trial. (*See* Stipulation for Introduction of Produced Documents at Trial, Dkt. No. 36.) The parties stipulated to the submission of certain trial testimony by declaration or affidavit, subject to the opposing party's right to take oral cross-examination. (*See* Stipulation for Trial Testimony of Giselle C. Woo, Esq. via Sworn Declaration, Dkt. No. 38; and Stipulation for Trial Testimony of Dr. Alex Simonson via Affidavit, Dkt. No. 79.) The parties also stipulated that certain discovery depositions, or portions thereof, could be used as trial testimony. (*See* Stipulation for Introduction of Discovery Deposition of James Donohue as Testimonial Deposition, Dkt. No. 39; and Stipulation Regarding Trial Testimony of Dr. Alex Simonson, Dkt. No. 101.)

B. McNEIL's Evidence

McNEIL submitted testimony and exhibits through the following witnesses:

(1) Rohinish Hooda, Vice-President of U.S. Sales and Marketing for Ethicon, Inc., a subsidiary of Johnson & Johnson ("J&J"), parent company of McNEIL, by Testimonial Deposition taken January 13, 2011 ("Hooda Dep."), the transcript of which was submitted to the Board on February 22, 2011. Mr. Hooda previously worked for Pfizer, Inc. ("Pfizer"), the exclusive U.S. licensee of prescription ZYRTEC medication, where he was responsible for the prescription to over-the-counter ("OTC") switch of the ZYRTEC brand for Pfizer's Consumer Healthcare division. He then moved with the ZYRTEC brand to McNEIL when J&J took over Pfizer's Consumer Healthcare business, overseeing the successful launch of OTC ZYRTEC

products, then later working as the Marketing Director of the ZYRTEC brand and products for McNEIL.

(2) Giselle C. Woo, associate, Fross Zelnick Lehrman & Zissu, P.C., attorneys for McNEIL in this proceeding, by Trial Declaration dated January 18, 2011 (“Woo Decl.”). Walgreens chose not to cross-examine Ms. Woo.

(3) James Donohue, Director of Media Team, Pfizer Inc., by deposition dated December 8, 2010, the transcript of which was submitted to the Board on January 24, 2011.

A description of each exhibit made of record by the foregoing witnesses as part of their respective trial depositions is included in Appendix A hereto.

McNEIL also submitted during its testimony period a Notice of Reliance on Printed Publications, dated January 24, 2011; a Notice of Reliance on Applicant’s Deposition Testimony, dated January 24, 2011, including excerpts of testimony from the discovery depositions of Robert L. Tompkins, taken April 16, 2009, and Daniel Potts, taken May 1, 2009; a Notice of Reliance on Official Records, dated January 24, 2011; and a Notice of Reliance on Applicant’s Discovery Responses, dated January 24, 2011.

During its rebuttal period, McNEIL submitted a Rebuttal Notice of Reliance on Discovery Responses, dated May 13, 2011; a Rebuttal Notice of Reliance on Internet Materials, dated May 13, 2011; a Rebuttal Notice of Reliance on Deposition Testimony, dated May 13, 2011, including excerpts of testimony from the discovery depositions of Robert Tompkins, taken April 16, 2009, and Rohinish Hooda, taken March 27, 2009; a Rebuttal Notice of Reliance on Applicant’s Discovery Responses, dated May 13, 2011; and a Rebuttal Notice of Reliance on Official Records, dated May 13, 2011.

A description of each exhibit made of record through McNEIL's Notices of Reliance is included in Appendix A hereto.

C. Walgreens' Evidence

Walgreens submitted testimony and exhibits through the following witnesses:

(1) Robert Tompkins, General Merchandise Manager of Health and Wellness for Walgreens, by testimonial deposition taken March 28, 2011, the transcript of which was submitted to the Board on April 27, 2011.

(2) Dr. Alex Simonson, President of Simonson Associates, Inc., by Affidavit Presented as Trial Testimony for Walgreens Co. Pursuant to 37 C.F.R. §2.123(b) and Stipulation by the Parties, dated February 15, 2011 ("Simonson Aff."), and by stipulated deposition excerpts submitted to the Board on May 10, 2011.

Walgreens also submitted a Notice of Reliance on Discovery Deposition Transcripts, dated March 24, 2011, including testimony from the discovery depositions of Rohinish Hooda, taken March 27, 2009 and August 10, 2009, and of Robert Tompkins, taken April 16, 2009; a Notice of Reliance on Discovery Responses, dated March 24, 2011; and a Notice of Reliance on Official Records, dated March 25, 2011.

III. EVIDENTIARY OBJECTIONS TO WALGREENS' EVIDENCE

McNEIL's objections to Walgreens' evidence are being submitted through a separate statement of objections dated July 15, 2011.

IV. STATEMENT OF FACTS

A. Origins of the ZYRTEC Brand

1. Prescription ZYRTEC Medicine

The ZYRTEC product is an allergy medication with the active ingredient cetirizine HCl, an antihistamine that stops the body from reacting to allergens. (Hooda Dep. at 8:22-9:2.) Cetirizine HCl was discovered and developed by a biopharmaceutical company UCB Pharma, S.A., parent company of UCB, Inc. (collectively, “UCB”) who assigned as a product name the arbitrary, coined term ZYRTEC. (*Id.* at 44:21-45:19.) Following approval of ZYRTEC medication by the U.S. Food and Drug Administration in 1996, UCB and Pfizer entered into a co-marketing and exclusive license agreement for the United States. (Hooda Dep. at 13:6-13.) Pfizer and its subsidiaries, as UCB’s exclusive U.S. licensee, sold ZYRTEC medication throughout the United States beginning in 1996 on a prescription basis. (Hooda Dep. at 12:21-13:13.) In 2006, UCB and Pfizer entered into an agreement granting Pfizer the right to market and sell ZYRTEC medication over-the-counter after UCB’s patent on cetirizine HCl expired. (*See* Hooda Dep. at 13:18-14:24 & Opp. Ex. 1.)

From 1996 through 2007, when ZYRTEC medication was sold only on a prescription basis, about **Redacted** prescriptions a year and **Redacted** prescriptions in total were written for ZYRTEC products in the United States, representing close to **Redacted** ZYRTEC pills sold each year and more than **Red.** ZYRTEC pills sold in total. (*See* Hooda Dep. at 11:18-12:11, 126:9-130:8 & Opp. Exs. 75-77.) Sales of prescription ZYRTEC products topped **Redacted** in the period from 1996 through 2007, with sales averaging nearly **Redacted** each

year following the introduction of ZYRTEC-D¹ medication in 2001. (*See Hooda Dep. at 129:17-130:8 & Opp. Ex. 77.*) In 2007 alone, sales of ZYRTEC and ZYRTEC-D products reached almost **Redacted** (*See id.*) Ultimately, ZYRTEC medication became the number one prescription allergy medication in the country. (*See Hooda Dep. at 70:12-24; Tomp. Disc. Dep., Opp. Ex. 107, at 43:7-15; Hooda Dep. at 47:16-72:2 & Opp. Ex. 22 at 1052.*)

Throughout the period that ZYRTEC medication was available by prescription, Pfizer worked diligently to build brand recognition of the ZYRTEC mark through advertising and promotion directed to physicians, pharmacists and consumers. (*See Hooda Dep. at 92:19-95:8, 130:11-133:8 & Opp. Exs. 33-37, 78.*) Prescription ZYRTEC medication was advertised to consumers in a broad range of media, including print, television, Internet and outdoor media, and was advertised to physicians through about **Redacted** representatives that visited doctors regularly to promote the brand. (*See Hooda Dep. at 126:9-173:8 & Opp. Exs. 75-78.*)

From 1996 through 2007, Pfizer spent **Redacted** each year to advertise and promote ZYRTEC products to both consumers and physicians, including spending between **Redacted** each year to advertise ZYRTEC products to consumers in a variety of media. (*See Hooda Dep. at 12:12-18, 94:8-13, 126:9-128:24, 186:16-188:22 & Opp. Ex. 75.*) This extensive advertising and promotion over a period of 12 years created strong brand awareness and goodwill for the ZYRTEC mark.

2. McNEIL's Rights in the ZYRTEC Mark

In 2006, Pfizer sold its Consumer Healthcare business to J&J, at which point J&J's subsidiary McNEIL took over the business. (*Hooda Dep. at 16:14-18:19, 151:16-152:3 & Opp.*

¹ ZYRTEC-D medication is a variant of ZYRTEC medication that contains the decongestant pseudoephedrine HCl in addition to the antihistamine cetirizine HCl. (*Hooda Dep. at 33:8-13 and, e.g., Opp. Ex. 6.*)

Exs. 2-3, 101.) As part of J&J's purchase of Pfizer's Consumer Healthcare business, McNEIL, through J&J, [REDACTED] Redacted

[REDACTED] Redacted. (See *id.*; see also Hooda Dep. at 19:21-20:19.) Consequently, McNEIL, through J&J, has been the exclusive United States licensee of the mark ZYRTEC for OTC products,

[REDACTED] Redacted

(See Hooda Dep. at 14:7-16:13, 148:2-22 & Opp. Ex. 1.) [REDACTED] Redacted

[REDACTED] Redacted

[REDACTED] Redacted. (See Hooda Dep. at 133:18-134:12 & Opp. Ex. 80.)

B. The ZYRTEC Brand Today

1. Over-the-Counter ZYRTEC Launch

McNEIL ultimately launched the ZYRTEC product as an OTC medication in January 2008. In preparation for the launch, McNEIL engaged in substantial advertising and promotional efforts that took many forms.

Leading up to the launch, McNEIL undertook direct-to-physician and direct-to-consumer mailings to educate them that ZYRTEC-brand cetirizine HCl would soon be available over-the-counter and no longer available by prescription. (Hooda Dep. at 37:4-42:17, 75:25-76:21 & Opp. Ex. 25.) More specifically, McNEIL worked with insurance companies and pharmacy benefit managers to send [REDACTED] Redacted letters to ZYRTEC prescription customers. (See Hooda Dep. at 24:2-18, 32:14-34:4, 36:25-40:4, 75:25-76:21 & Opp. Exs. 6-15, 20, 25.)

McNEIL also sent large informational packets to [REDACTED] Red. physicians and pharmacists across the country, promoting the OTC launch. (Hooda Dep. at 75:25-76:21 & Opp. Ex. 25.) McNEIL

additionally created “leave behinds” for customers to pick up and read while waiting for physicians. (*See* Hooda Dep. at 92:7-18 & Opp. Ex. 32.)

Consumers were further given financial incentives through trial offers and discounts, including [Redacted] coupons delivered through direct mail, newspaper advertising and in-store offers. (*See, e.g.*, Hooda Dep. at 23:25-25:14, 30:8-31:3 & Opp. Ex. 4.)

Also leading up to the launch, McNeil worked with retailers, including Walgreens, to place prominent shelf blockers and coupons announcing the coming launch of OTC ZYRTEC products on the retailers’ shelves in the two or three weeks prior to the launch, thereby creating pent-up demand. (Hooda Dep. at 47:15-49:24 & Opp. Ex. 22.)

In addition, close to and at the time of the launch, and thereafter, McNEIL engaged in a “surround sound” marketing program meant to reach consumers through all media forms (including print, radio, television, Internet, stores and outdoors). Print advertising announcing the launch ran in national and local general interest magazines and newspapers sent to about [Red. [Redacted] homes, and also in free-standing newspaper insert advertisements, each reaching [Red. [Redacted] homes. (*See* Hooda Dep. at 23:4-22, 35:19-36:15, 43:2-7, 96:3-8 & Opp. Exs. 16-18, 40-41.) McNEIL additionally engaged in outdoor media advertising, such as advertising on strategically placed billboards and through a guerilla marketing campaign that utilized advertisements affixed to telephone poles and compared ZYRTEC medication to its competitor Claritin medication. (*See* Hooda Dep. at 90:2-92:6, 92:19-93:5 & Opp. Exs. 31, 33.) McNEIL also ran advertisements for the ZYRTEC product on national and local radio and cable and network television stations. (Hooda Dep. at 84:18-88:8 & Opp. Exs. 29-30.) McNEIL further engaged celebrity allergy sufferers in its ZYRTEC campaign, such as leading television comedienne Molly Shannon, to speak about their experiences with allergies and to promote

ZYRTEC products on news shows and elsewhere. (*See id.*) ZYRTEC OTC launch marketing also included Internet advertising, such as through the website www.zyrtecotc.com as well as through www.zyrtopia.com. (Hooda Dep. at 46:16-47:5, 73:14-75:24, 84:4-14, 95:22-96:2 & Opp. Exs. 24, 28 & 39.) McNEIL also sponsored a unique program in January 2008 in Central Park, New York, where it built a large dome and created an 80-degree Spring-like environment to drive awareness and interest in ZYRTEC. (*See* Hooda Dep. at 76:25-78:25 & Opp. Ex. 26.)

The extensive coordinated marketing push for the ZYRTEC brand OTC launch was widely recognized by advertising journals such as *Advertising Age* and *Brand Week*, with the ZYRTEC brand named as one of the six brands with the greatest customer loyalty. (Hooda Dep. at 114:23-118:9 & Opp. Exs. 63-66.) Further, Mr. Hooda, as the marketing director behind the OTC launch received an award for OTC marketer of the year in 2008 from the magazine *OTC Perspectives*. (*See id.*)

In addition to its solo efforts, McNeil worked closely and collaborated with Walgreens, as one of the nation's largest retail drug stores, to create promotional materials to market the launch of the OTC ZYRTEC product. (*See* Hooda Dep. at 43:8-44:17.) McNeil began coordinating designs with Walgreens for packaging and advertising of ZYRTEC OTC products

Redacted in advance of the launch. (*Id.*) For example, McNEIL and Walgreens developed a ZYRTEC promotional campaign unique to Walgreens utilizing the marketing slogan "E-Z at Walgreens," designed to bring the ZYRTEC brand to customers' minds by emphasizing the letter "Z" in the ZYRTEC name. (*See* 47:19-73:12 & Opp. Exs. 22-23.) The "E-Z at Walgreens" campaign included promotional materials such as 4'x4' decals on Walgreens' windows as well as entry displays and banners, and **Redacted** customized displays at the end of store aisles. (*Id.*) McNEIL also worked with Walgreens to place "E-Z at Walgreens" branded

coupons for ZYRTEC products in Walgreens' in-store coupon booklets, and advertised ZYRTEC products on electronic display boards and on pharmacy counter displays at Walgreens' retail stores. (*Id.*)

In addition, Walgreens created a dedicated ZYRTEC webpage within Walgreens' www.walgreens.com website and placed ZYRTEC banners on various additional pages of the Walgreens' website, co-produced a nationally-broadcast television commercial to market the ZYRTEC brand, and worked with McNEIL to mail letters to [Redacted] Walgreens' pharmacy customers [Redacted] (See Hooda Dep. at 38:7-40:19, 43:8-44:17, 47:19-24, 69:3-70:24, 73:17- 75:24 & Opp. Exs. 21-22, 24.)

2. Distribution of ZYRTEC Products

ZYRTEC allergy products have always been made available to virtually every consumer in the nation. (See Hooda Dep at 93:6-9, 135:7-136:6 & Opp. Ex. 82.) Since the OTC launch, ZYRTEC products have been sold throughout the fifty United States and in Puerto Rico, and through every channel of trade in which consumers would expect to find allergy medication, including big-box general merchandisers (such as Wal-Mart), grocery stores, chain drug stores (such as Walgreens), independent drug stores, and convenience stores, as well as over the Internet. (See Hooda Dep. at 37:4-40:4, 93:6-9, 121:17-122:22, 123:20-126:8 & Opp. Exs. 20, 70, 72-74.) The penetration of ZYRTEC products in each of these trade channels is extensive. (See *id.*; Hooda Dep. at 103:3-105:9 & Opp. Ex. 48.) For example, ZYRTEC products are sold in nearly all 8,000 Walgreens stores and through a variety of Internet sites. (See Hooda Dep. at 123:20-126:8, 167:22-25 & Opp. Exs. 72-74; Tomp. Test. Dep. at 7:5-11, 10:16-23.) All ZYRTEC allergy medication has been sold in packaging prominently displaying the ZYRTEC mark. (See Hooda Dep. at 47:19-73:12, 149:3-150:7 & Opp. Exs. 22-23, 98.)

At the retail level, ZYRTEC allergy medication is available to consumers in packages of 5, 14, 30 and 45 pills (with larger quantities available in select outlets, like wholesale clubs), with suggested retail prices of \$6.99, \$14.99, \$19.99 and \$28.99, respectively. (See Hooda Dep. at 25:20-26:7, 149:3, 150:7 & Opp. Exs. 5, 98.) In addition to the ZYRTEC and ZYRTEC-D pill products, which were available both by prescription and at the time of the ZYRTEC OTC launch, McNEIL also introduced ZYRTEC Itchy Eye Drops and a ZYRTEC Liquid Gels variant in 2010. (See Hooda Dep. at 95:9-21, 150:11-16 & Opp. Exs. 38, 99.)

3. Sales Volume of ZYRTEC Products

In terms of sales, the launch of OTC ZYRTEC allergy medication was hugely successful. In just the first year (2008), retail sales of ZYRTEC products reached [Redacted], equating to [Redacted] packages of ZYRTEC products.² (See Hooda Dep. at 99:14-102:21 & Opp. Exs. 46-47.) Since the OTC launch, ZYRTEC products have enjoyed continued success, with [Redacted] [Redacted] packages sold at retail for [Redacted] in 2009, and [Redacted] packages sold at retail for [Redacted] in the first eight months of 2010 alone, which would annualize to over [Redacted] packages sold for [Redacted] over the whole of 2010.³ (See *id.*; Hooda Dep. at 105:10-20 & Opp. Ex. 49.) As of 2010, ZYRTEC brand antihistamine medication held the second largest market share in the OTC allergy medicine segment with 20.5% of the market, only slightly behind Claritin (27% market share) and well ahead of number three Benadryl-brand antihistamines (9% market share). (See Hooda Dep. at 70:25-71:15, 106:2-109:23 & Opp. Ex. 50.)

² McNEIL collects retail-level sales data from market research companies such as IRI and Nielsen. (Hooda Dep. at 99:14-105:3.)

³ Discovery in this proceeding ended in September 2010, so full year ZYRTEC sales figures for 2010 and figures for 2011 are not available.

4. Direct Advertising and Promotion of the ZYRTEC Mark

In a little more than two and a half years, McNEIL spent over [Redacted] to advertise and promote the OTC ZYRTEC product.⁴ (See Hooda Dep. at 121:19-124:16 & Opp. Exs. 70,

72-74.) McNEIL spent over [Redacted] to advertise the ZYRTEC brand in 2008, spent [Redacted]

[Redacted] in 2009, and spent [Redacted] in the first three quarters of 2010, which would

annualize to over [Redacted]. (See *id.*) This is all in addition to the [Redacted]

[Redacted] that McNEIL's predecessor-in-interest spent each year marketing the ZYRTEC brand

from 1996 to 2007. (Hooda Dep. at 94:8-13.) The ZYRTEC brand and products have been

advertised in a variety of media, including national and local publications (both consumer and

trade), weekly circulars, television, radio, billboards, Internet and in-store promotions. (*Id.*;

Hooda Dep. at 24:4-25:14, 49:19-50:22, 58:20-78:12, 86:17-96:8, 99:3-10 & Opp. Exs. 4, 22-26,

30-41, 45.) The ZYRTEC mark is the centerpiece of all such advertising. (*Id.*)

McNEIL has generally spent its largest advertising dollar on television advertising ([Redacted]

[Redacted], for example, in 2008), with television spots running nationally, often tailored to key

broadcasting events, such as the Olympics. (See, e.g., Hooda Depo. at 121:17-122:22 & Opp.

Ex. 70.) In-store placement is also a key marketing tool for ZYRTEC products, and McNEIL

has spent [Redacted] annually – more than [Redacted] since the launch – on in-store

advertising of the ZYRTEC brand in large retailers like Walgreens. (Hooda Dep. at 24:4-25:14,

47:19-50:22, 58:20-78:12, 86:17-96:8, 99:3-10 & Opp. Ex. 4, 30-41, 45, 70, 72-74.) In-store

marketing generally features ZYRTEC in unique and eye-catching displays [Redacted]

[Redacted]. (See *id.*)

⁴ Again, because discovery closed in September 2010, only the first two and a half years of marketing information is available.

As part of its Internet advertising and promotion, McNEIL operates the official ZYRTEC website at www.zyrtec.com, which provides information on ZYRTEC products as well as related information, such as allergy education materials and allergy forecasts. (Hooda Dep. at 73:17-75:24, & Opp. Ex. 24.) McNEIL also operates the loyalty program Zyrtopia at the website www.zyrtopia.com, which brings together loyal ZYRTEC product users to share their challenges with allergy management. (*Id.*; Hooda Dep. at 46:16-47:5.) McNEIL also operates a website dedicated to physicians, where they can learn about ZYRTEC and order samples, and www.myhealthyseasons.com, a non-branded website developed as a service for insurance companies and pharmacy benefit managers to provide information to their members on managing allergies. (*Id.*)

Additional advertising for ZYRTEC is undertaken by partners, often with financial support from McNEIL. (Hooda Dep. at 21:24-23:21, 37:4-44:17 & Opp. Exs. 20-21.) For instance, in connection with the OTC launch of the ZYRTEC product, McNEIL sent **Redacted**

Redacted coupons to pharmacy benefit managers Wellpoint and Caremark, respectively, for distribution to their customers. (*Id.*) Continued promotional efforts with McNEIL's retail partners, such as Walgreens, also include radio advertisements, consumer promotions (such as coupons and sweepstakes) and point-of-sale materials (such as weekly brochures), all for the purpose of driving consumer interest and creating consumer awareness. (*Id.*; *see, e.g.*, Opp. Ex. 118.) Thus, the marketing reach of the ZYRTEC brand extends well beyond what McNEIL does itself.

5. Indirect Advertising and Promotion of the ZYRTEC Mark

In addition to the marketing effort undertaken by McNEIL and its advertising partners, the ZYRTEC brand has also received the benefit of additional publicity not underwritten by

McNEIL. ZYRTEC allergy medication has been discussed in thousands of articles in national and local newspapers and magazines (such as *The New York Times*, *The Wall Street Journal* and *People* magazine), as well as being mentioned in various national and local television programs (such as CBS's *The Early Show*). (Hooda Dep. 118:19-121:16 & Opp. Exs. 67-69, 71, 102-105.) The ZYRTEC brand has also received extensive attention for its ingenious marketing and promotional campaigns. (Hooda Dep. at 114:23-118:9 & Opp. Exs. 63-66.) As a consequence, the ZYRTEC brand receives exposure not only through traditional advertising and promotional activities undertaken by McNEIL and its retailers, but also through extensive third-party references to the brand.

6. Consumer Awareness of the ZYRTEC Brand

As a result of the substantial sales success of the ZYRTEC product and the marketing machine that has surrounded the brand, the ZYRTEC mark is extremely well-known among consumers. McNEIL regularly performs consumer surveys that test consumer awareness of some of McNEIL's brands, including ZYRTEC. (Hooda Dep. at 110:4-114:22 & Opp. Exs. 51-60.) According to the surveys, prior to the OTC launch, awareness of the ZYRTEC brand was **Redacted**. (Hooda Dep. at 81:10-84:3 & Opp. Ex. 27.) More recent surveys show that awareness of the ZYRTEC brand has consistently been above **Red.** and reached **Red.** by February of 2009. (Hooda Dep. at 110:4-114:22 & Opp. Exs. 51-60.)

7. McNEIL's Policing Efforts

McNEIL's branding efforts have proved successful. Given the distinctiveness of the ZYRTEC mark, competitors rarely risk copying it. Moreover, no other allergy product – other than Walgreens' WAL-ZYR product at issue here – shares the distinctive ZYR portion of McNEIL's ZYRTEC mark. (Hooda Dep. at 45:20-46:6, 141:9-147:25 & Opp. Exs. 88-97.)

8. Registration of the ZYRTEC Mark

Because the ZYRTEC mark represents a significant asset, UCB and McNEIL (through its parent company J&J) have protected their investment by registering various ZYRTEC and ZYRTEC-inclusive marks on the federal trademark registry. (Opp. Exs. 110-115.) UCB first registered a ZYRTEC mark in the United States in 1996, and now owns six federal registrations for ZYRTEC marks in International Class 5, covering pharmaceutical preparations, namely antihistamines and decongestant agents. (*Id.*) Two of these registrations (ZYRTEC and ZYRTEC-D 12 HOUR) are incontestable. (*Id.*) UCB has formally assigned its rights in three of these registrations to J&J: Reg. No. 3,512,967 (ZYRTEC & Design); Reg. No. 3,512,965 (Z & Design); and Reg. No. 3,512,964 (ZYRTEC & Design). (*Id.*)

C. Walgreens and its WAL-ZYR Mark

1. Walgreens' Selection of the WAL-ZYR Mark

Walgreens is one of the nation's largest drugstore chains, with approximately 8,000 stores covering all fifty states and Puerto Rico. (Tomp. Test. Dep. at 7:5-11.) Walgreens sold ZYRTEC allergy medication as a prescription drug beginning with its introduction in 1996. (*See Hooda. Dep. at 10:20-12:18; Tomp. Test. Dep. at 10:16-23.*)

Walgreens, like many drugstore and grocery chains, has for many years offered private label or store brand products, including versions of leading OTC medications. (Tomp. Test. Dep. at 8:18-9:13.) Walgreens offers dozens if not hundreds of store brand products with names that make no reference to Walgreens or the related national brand of the product, such as names like Iceland Pure, Theragran-M, and Studio 35. (*See Opp. Exs. 118, 125-249.*) For its store brand OTC medications, Walgreens often offers them under a WALGREENS house mark accompanied by the generic name of the drug (such as Walgreens "Omeprazole Acid Reducer,"

generic for PRILOSEC). (*See id.*) Other times, Walgreens offers its OTC products under a trademark beginning with the prefix “WAL-”, which Walgreens asserts is borrowed from the first portion of the WALGREENS name. (Tomp. Test. Dep. at 12:14-13:7, 49:1-50:9, 68:2-71:15 & Ex. 18.) These “WAL-” formative marks frequently include a portion of the generic drug name, such as WAL-PROFEN (containing ibuprofen pain reliever) and WAL-PROXEN (containing naproxen sodium pain reliever). (*Id.*) Other times, Walgreens’ “WAL-” formative marks borrow a component from the national brand name of the corresponding drug product, such as WAL-ITIN for Walgreens’ store brand product competing with CLARITIN allergy medicine, and WAL-TUSSIN for its product competing with ROBITUSSIN cough medicine. (*Id.*; *see, e.g.*, Opp. Ex. 118 at W1400-54, 3926.) When borrowing from the national brand name for its “WAL-” formative marks, Walgreens almost exclusively uses the last syllable or syllables from the national brand (such as WAL-DRYL (referencing BENADRYL), WAL-MUCIL (referencing METAMUCIL) and WAL-SPORIN (referencing NEOSPORIN)). (*See id.*)⁵

After Walgreens became aware of McNEIL’s plans to sell the ZYRTEC product over-the-counter, Walgreens developed a plan to sell a store brand version of the ZYRTEC product⁶ – that is, a medicine with cetirizine HCl as the active ingredient – to be sold in direct competition

⁵ Contrary to the testimony of Robert Tompkins on April 16, 2009 and March 28, 2011 (Tomp. Disc. Dep., Opp. Ex. 107, at 88:23-89:1; Tomp. Test. Dep. at 70:11-12), Walgreens markets WAL-SOM as the private label version of the national brand UNISOM, not SOMINEX. Mr. Tompkins’ deceptive and undoubtedly coached testimony is a blatant attempt by Walgreens to pretend that it frequently appropriates the beginning portion of the national brand product mark as part of its “WAL-” formative marks, when this is not the case. Particularly telling is the fact that Walgreens produced pictures of the front panels of virtually all of its “WAL-” prefix products, but failed to produce a picture of its WAL-SOM product – which would have made clear that the comparable national brand is UNISOM, not SOMINEX. (*See, e.g.*, Opp. Ex. 124 (printout from www.walgreens.com showing Walgreens’ WAL-SOM product).)

⁶ Walgreens also sells a WAL-ZYR D product, with active ingredients cetirizine HCl and pseudoephedrine – the same as in McNEIL’s ZYRTEC-D product. (Tomp. Test. Dep. at 38:23-39:11.)

to McNEIL's OTC ZYRTEC products. (*See* *Tomp. Test. Dep.* at 11:3-12:13, 13:21-14:2, 16:13-16; *Tomp Disc. Dep., Opp Ex. 107*, at 22:14-23:2, 25:12-16; *Opp. Ex. 118* at, *e.g.*, W5414-27.) When Walgreens developed this plan, Walgreens had already been working with McNEIL on the ZYRTEC OTC launch for more than a year, yet made no mention of its planned cetirizine product to McNEIL. (*Id.*; *Hooda Dep.* at 53:15-54:12.)

When choosing a name for its store brand cetirizine HCl product, Walgreens did not follow its traditional naming models for its store brand marks. As Walgreens has admitted, it wanted to select a name that best communicated to consumers an association with the well-known brand name ZYRTEC. (*Tomp. Disc. Dep., Opp. Ex. 107*, at 62:21-71:21, 140:22-141:10.) [Redacted]

[Redacted]
[Redacted]
[Redacted]. (*Id.*; *Tomp. Disc. Dep., Opp. Ex. 107*, at Ex. 5.)

[Redacted]
[Redacted],⁷ and thus, for this and other reasons, Walgreens selected that name as the brand for its store brand cetirizine HCl product. (*See Id.*)

So, rather than borrowing from the active drug ingredient cetirizine HCl (such as with the names WAL-CET,⁸ WAL-ZINE or WAL-IZINE⁹), and rather than borrowing the last syllable of the ZYRTEC mark (such as with the name WAL-TEC) as Walgreens traditionally does [Redacted]
[Redacted], Walgreens instead chose to co-opt the distinctive

⁷ [Redacted]
[Redacted]. (*Tomp. Disc. Dep., Opp. Ex. 107*, at 62:21-71:21 & Ex. 5.)

⁸ *E.g.*, WAL-FEX for Walgreens' private label OTC medication with the active ingredient fexofenadine.

⁹ *E.g.*, WAL-PROFEN for Walgreens' private label OTC medication with the active ingredient ibuprofen.

first syllable of McNEIL’s well-known ZYRTEC mark to form the mark WAL-ZYR. (*See* *Tomp. Disc. Dep., Opp. Ex. 107*, at 75:15-22.) This mark not only appropriates the first and most distinctive portion of the ZYRTEC mark, “ZYR”, but also emphasizes the critical “Z” – which Walgreens knew would be highlighted in the “E-Z at Walgreens” ZYRTEC advertising campaign at Walgreens’ stores – in an attempt to most readily and forcefully indicate a connection to the ZYRTEC brand. (*Tomp. Disc. Dep., Opp. Ex. 107*, at 228:2-12, 229:5-14; *Hooda Dep. at 50:10-19, 72:8-73:7 & Opp. Exs. 22-23.*) Walgreens has admitted that it selected the WAL-ZYR mark to convey a relationship with the ZYRTEC brand and to capitalize on consumer recognition of the ZYRTEC mark. (*See Tomp. Disc. Dep., Opp. Ex. 107*, at 75:15-22, 97:11-98:7, 99:11-22.)

2. Walgreens’ Presentation of the WAL-ZYR Mark

Not content merely to select a name that communicates an association with the ZYRTEC product, Walgreens also markets and sells its WAL-ZYR products in a manner that is calculated to cause consumers to associate the WAL-ZYR product with McNEIL’s ZYRTEC product and to confuse the two.

First, Walgreens took pains to match its product packaging to that of the ZYRTEC product. Although Walgreens did not have advance knowledge of the unique design of the ZYRTEC packaging, it nevertheless took advantage of the only knowledge it had from its extensive branding discussions with McNEIL: that McNEIL would use the color green for marketing the OTC ZYRTEC product. (*See Tomp. Test. Dep. at 20:23-21:2; Tomp. Disc. Dep., Opp. Ex. 107*, at 128:1-11, 140:22-14:10.) Armed with this knowledge, Walgreens directed its art department to use for the WAL-ZYR packaging the same green color as would be used in McNEIL’s marketing and packaging for the ZYRTEC product. (*Id.*) It was Walgreens’ belief

that consumers would more readily associate the WAL-ZYR product with the ZYRTEC product if the two products shared similar color packaging in addition to similar names. (*Id.*) So, Walgreens exploited its advance knowledge that the ZYRTEC product would be in packaging with a green color and intentionally selected a similar green color for its WAL-ZYR packaging to build on the confusion that Walgreens was already fostering with use of the WAL-ZYR name. (*See id.*; *see also, e.g.*, Hooda Dep. at 97:2-98:6 & Opp. Exs. 43-44.)

Walgreens also attempted to match its packaging style to that of the OTC ZYRTEC product. Because Walgreens did not have access to the OTC ZYRTEC packaging prior to the launch, it originally packaged its WAL-ZYR product in the same way that most OTC allergy medications are packaged: blister-packaged pills inside a rectangular cardboard box. (*See* Hooda Dep. at 97:21-98:17, Tomp. Test. Dep. at 99:5-21 & Ex. 7.) However, once the ZYRTEC OTC product was launched and Walgreens learned of the unique package design, Walgreens quickly changed its packaging to adopt ZYRTEC's bottle packaging design (only keeping its original blister packaging for WAL-ZYR product counts that did not have a ZYRTEC equivalent), again a transparent effort to make it more likely that consumers would confuse the products.¹⁰ (*See id.*) Walgreens also includes a prominent reference to the ZYRTEC trademark on the front of its packaging to reinforce the association between the WAL-ZYR and ZYRTEC products. (*See* Tomp. Test. Dep. at 31:7-15; Tomp. Disc. Dep., Opp. Ex. 107, at 140:22-141:10; Hooda Dep. at 97:2-98:6 & Opp. Exs. 43-44.)

¹⁰ Additionally, Walgreens matches its WAL-ZYR packages sizes to those of the ZYRTEC product. (*See* Tomp. Test. Dep. at 17:8-27:5 & Exs. 4-7; *see also* Hooda Dep. at 97:2-25 & Opp. Exs. 43-44.) While the product counts generally match those of the ZYRTEC product, the WAL-ZYR product is always priced lower than the comparable sized package of the ZYRTEC product. (*See* Tomp. Disc. Dep., Opp. Ex. 107, at 150:5-21.)

Not satisfied with its adoption of a confusingly similar name and confusingly similar packaging, Walgreens makes sure to display ZYRTEC and WAL-ZYR products in Walgreens' stores in a way to maximize the likelihood of confusion. (*See* *Tomp. Disc. Dep., Opp. Ex. 107*, at 184:23-185:9, 186:12-188:20, 189:6-191:7, 191:23-192:3, & *Ex. 21*; *see also, e.g., Opp. Ex. 22.*) Walgreens mandates that its stores shelve WAL-ZYR products immediately next to or right above the ZYRTEC products on the shelves. (*Tomp. Test. Dep. at 50:16-23*; *see also, e.g. Opp. Ex. 118 at W2398-3133, 4977, 5426-27.*) This makes it more likely that consumers, many of whom are in the haze of allergy symptoms, will confuse the similarly named WAL-ZYR product with the ZYRTEC product.

Similarly, Walgreens directs its advertising department to place advertisements for WAL-ZYR and ZYRTEC products next to each other in Walgreens' weekly advertising circulars. (*See Tomp. Test. Dep. at 50:16-23*; *Tomp. Disc. Dep., Opp. Ex. 107*, at 212:16-21, 213:3-6; *see also, e.g., Opp. Ex. 118 at W1368, 1474-75, 1529-33, 5414-27, 5439-40.*) Again, this ensures that consumers will make an association between the WAL-ZYR and ZYRTEC marks.

Walgreens has also undertaken other activities to cause consumers to confuse the WAL-ZYR product for ZYRTEC products. For instance, when McNEIL placed dump bins designed to display only ZYRTEC products in Walgreens stores, a number of Walgreens stores placed WAL-ZYR products in the bins as well, sometimes with WAL-ZYR products outnumbering ZYRTEC products two to one (*Hooda Dep. at 49:25-52:20, 63:22-64:12 & Opp. Ex. 22*), again increasing the likelihood that consumers would confuse the two products.

3. Actual Confusion

Upon learning of the existence of Walgreens' WAL-ZYR product, McNEIL informed Walgreens of its concerns that the similarity of the WAL-ZYR mark to the ZYRTEC mark

would “insinuate[] that either [WAL-ZYR] was made by Zyrtec, the active ingredient was similar to Zyrtec, that the active ingredient was made by Zyrtec for the brand, [or] that that brand, that product was a variant of Zyrtec.” (Hooda Dep. at 54:13-55:25.) Walgreens took no corrective action (*id.* at 57:18-58:2), and the evidence shows that consumers have since been misled by Walgreens’ use of the WAL-ZYR mark. For example, McNEIL has received questions from confused customers asking whether the ZYRTEC brand and WAL-ZYR brand are “the same.” (*E.g.*, Opp. Ex. 83 at McNEIL_001535, 1540; *see* Hooda Dep. at 137:6-141:8 & Opp. Exs. 83, 85-86.) Users of WAL-ZYR product have also contacted McNEIL concerning the quality failures of the WAL-ZYR medication, such as its inability to work for the full 24-hour period, and have even questioned whether WAL-ZYR products are “fake” ZYRTEC products. (*Id.*; *see, e.g.*, Opp. Ex. 85 at McNEIL_001769, 1771, 2200.)

McNEIL’s development of additional evidence of actual confusion between the WAL-ZYR and ZYRTEC marks has been hampered by Walgreens’ practices. WAL-ZYR products are sold exclusively through Walgreens stores and website, and Walgreens admittedly has no system to monitor or track confusion that may occur in its stores. (Tomp. Test. Dep. at 117:13-19; Tomp. Disc. Dep., Opp. Ex. 107, at 233:18-234:12, 234:20-235:1.) Even though Walgreens is aware that some national brand and private label versions of certain products are manufactured by the same entity (such as with certain vitamin and beverage products in Walgreens’ own stores) (Tomp. Disc. Dep., Opp. Ex. 107, at 235:2-236:4), and even though Walgreens is aware that some consumers hold the belief that national brands and private label brands are manufactured by the same entity (*id.* at 236:5-11), Walgreens has failed to put in place a system to track such misperception about the manufacturing of ZYRTEC and WAL-ZYR products. (*Id.* at 234:3-236:4.) For example, Walgreens has admitted that it does not require store personnel

who are asked whether the WAL-ZYR product is manufactured by the same company as the ZYRTEC product to report the inquiry to anyone at Walgreens' corporate headquarters. (*See id.* at 234:20-236:11.)

4. Walgreens' Application for the WAL-ZYR Mark

On September 19, 2007, Walgreens filed a federal trademark application to register the word mark WAL-ZYR for "pharmaceuticals, namely, allergy medications" in International Class 5 based on an intent-to-use the mark in commerce under Section 1(b) of the Lanham Act, 15 U.S.C. § 1051(b). No claim of use was made in connection with Walgreens' WAL-ZYR application, and no use was made of the mark in the United States until a launch that coincided with the OTC ZYRTEC product launch. (*See* Opp. Ex. 116 (where in its Responses to McNEIL's Requests for Admission, Walgreens admitted that it "did not use [the WAL-ZYR mark] in interstate commerce prior to January 1, 2008").) The WAL-ZYR application contains no limitation on the channels of trade, channels of advertising, geographic location, target consumers, or type of allergy medication to be offered under the WAL-ZYR mark.

D. United States Marketplace

There are numerous store brand or generic versions of OTC cetirizine HCl products on the market. Other than Walgreens' WAL-ZYR mark, no other cetirizine HCl product includes the ZYR portion of the ZYRTEC mark. (Hooda Dep. at 45:20-46:6, 141:9-147:25 & Opp. Exs. 88-97; Tomp. Disc. Dep., Opp. Ex. 122, at 79:22-80:1.) Other competing cetirizine HCl products use either the store name (*e.g.*, Rite-Aid, CVS or Duane Reade) with a descriptive term (All Day Allergy, Indoor/Outdoor Allergy), or use a private label brand (*e.g.*, KIRKLAND, EQUATE, ALLER-TEC) to identify the product. (*See* Opp. Exs. 88-97.)

Though it is a general belief of consumers that store brands of OTC medicines are made by the same companies that manufacture the national brand versions (with the only difference being price) (Tomp. Disc. Dep., Opp. Ex. 107, at 234:20-236:12), McNEIL does not manufacture store brand versions of the ZYRTEC product and reinforces that point on its packaging. (Hooda Dep. at 56:2-58:17.) UCB, the ZYRTEC trademark owner and **Redacted**, **Redacted**, also does not manufacture store brand or private label ZYRTEC or cetirizine HCl products for resale by others. (Hooda Dep. at 148:2-22.)

V. ARGUMENT

McNEIL has asserted two bases for its opposition to registration of the WAL-ZYR mark: likelihood of confusion under Section 2(d) of the Lanham Act and likelihood of dilution under Section 2(f) of the Lanham Act.

In order to succeed on its likelihood of confusion claim, McNEIL must establish its standing and then prove both priority and likelihood of confusion. *Cunningham v. Laser Golf Corp.*, 55 U.S.P.Q.2d 1842, 1844 (Fed. Cir. 2000); *Venture Out Props. L.L.C. v. Wynn Resorts Holdings, L.L.C.*, 81 U.S.P.Q.2d 1887, 1891 (T.T.A.B. 2007). As to likelihood of confusion, the question is whether Walgreens' WAL-ZYR mark, when used in connection with allergy medications, is likely to cause confusion, mistake or deception as to the source or sponsorship of those goods given McNEIL's long-established and well-known ZYRTEC mark used for allergy medications.

In order to succeed on its claim of likelihood of dilution by blurring, McNEIL must establish that the ZYRTEC mark is famous, that the ZYRTEC mark became famous prior to the date of the application to register the WAL-ZYR mark, and that the WAL-ZYR mark is likely to

blur the distinctiveness of the famous ZYRTEC mark. *Nat'l Pork Bd. v. Supreme Lobster & Seafood Co.*, 96 U.S.P.Q.2d 1479, 1494-95 (T.T.A.B. 2010).

A. McNEIL HAS STANDING TO BRING THIS OPPOSITION

Redacted, engaged in the promotion, production, distribution and sale of ZYRTEC goods and services, McNEIL has standing to bring this opposition. The relevant statute provides that “[a]ny person who believes that he would be damaged by the registration of a mark upon the principal register... may... file an opposition.” 15 U.S.C. § 1063(a). The Federal Circuit and the Board have interpreted the statute to require an opposer seeking to establish standing show that it has a “real interest” – a direct and personal stake – in the outcome of the proceeding. *See Ritchie v. Simpson*, 50 U.S.P.Q.2d 1023, 1026 (Fed. Cir. 1999); *Jewelers Vigilance Comm., Inc. v. Ullenberg Corp.*, 2 U.S.P.Q.2d 2021, 2024 (Fed. Cir. 1987); *see also Syngenta Crop Protection, Inc. v. Bio-Chek L.L.C.*, 90 U.S.P.Q.2d 1112, 1118 n.8 (T.T.A.B. 2009) (“[p]roof of standing in a Board proceeding is a low threshold...”).

Redacted, McNEIL will incur direct injury from the use and registration of a similar mark for identical goods to those McNEIL offers under the ZYRTEC mark. The fact that UCB, and not McNEIL, is the registered owner of the ZYRTEC mark does not diminish McNEIL’s interest in the ZYRTEC mark or this proceeding. The Board has repeatedly held that **Red.** licensees such as McNEIL have standing to bring opposition proceedings. *E.g., Nat'l Pork Bd.*, 96 U.S.P.Q.2d at 1492 (second opposer had standing as one of mark owner’s licensees); *Chi. Bears Football Club, Inc. v. 12th Man/Tenn. L.L.C.*, 83 U.S.P.Q.2d 1073, 1075 (T.T.A.B. 2007); *Chem. N.Y.*

Corp. v. Conmar Form Sys., Inc., 1 U.S.P.Q.2d 1139, 1142 (T.T.A.B. 1986); *J.L. Prescott Co. v. Blue Cross Labs., (Inc.)*, 216 U.S.P.Q. 1127, 1128 (T.T.A.B. 1982).

In fact, even if McNEIL were not Redacted, but instead merely distributed and sold ZYRTEC products, it would still have standing to bring this opposition proceeding. *Wilson v. Delaunay*, 114 U.S.P.Q. 339, 341 (C.C.P.A. 1957) (finding standing where opposer was “continuously deriving revenue from the use of the mark... since a time prior to its adoption” by applicant); *Syngenta Crop Protection*, 90 U.S.P.Q.2d at 1118 (testimony establishing use of mark established standing); *see also Revlon, Inc. v. La Maur, Inc.*, 157 U.S.P.Q. 602, 604 (T.T.A.B. 1968).

B. McNEIL HAS ESTABLISHED PRIORITY

Walgreens cannot dispute priority in this case. To establish priority, an opposer need only show rights arising from “a prior registration, prior trademark or service mark use, prior use as a trade name, prior use analogous to trademark or service mark use, or any other use sufficient to establish proprietary rights.” *Herbko Int’l, Inc. v. Kappa Books, Inc.*, 64 U.S.P.Q.2d 1375, 1378 (Fed. Cir. 2002); *see Otto Roth & Co. v. Universal Foods Corp.*, 209 U.S.P.Q. 40, 43 (C.C.P.A. 1981). In this case, McNEIL has offered evidence of longstanding, continuous and pervasive use of the ZYRTEC mark in the U.S. since 1996.¹¹ This is well before the first date on which

¹¹ As the current exclusive licensee of the ZYRTEC mark, McNEIL is entitled to the benefit of the use of the ZYRTEC mark by its predecessor-in-interest. Even if McNEIL were not permitted to rely on the use of its predecessor-in-interest, it has nonetheless shown its own priority of use over Walgreens. As Walgreens has admitted, it did not make use of the WAL-ZYR mark prior to January 2008. (Opp. Ex. 116.) While McNEIL’s OTC ZYRTEC product may not have landed on store shelves until after the WAL-ZYR product was on store shelves, McNEIL’s activities prior to the on-shelf date constitute use sufficient to establish priority. For example, McNEIL has submitted evidence that it took an order from Walgreens for the ZYRTEC product in early November 2007. (Hooda Dep. at 150:20-151:15 & Opp. Ex. 100.) In addition, McNEIL engaged in extensive marketing activities prior to the January 2008 launch date, including a marketing campaign at Walgreens stores beginning in December 2007 that advertised the coming OTC ZYRTEC launch. (Hooda Dep. at 43:8-44:5.) Further, McNEIL launched the

Walgreens can rely in connection with its WAL-ZYR mark – its application date of September 19, 2007. Thus, the evidence of the earlier use of the ZYRTEC mark establishes priority. *E.g.*, *Herbko*, 64 U.S.P.Q.2d at 1378; *Otto Roth*, 209 U.S.P.Q. at 43.

C. WALGREENS’ WAL-ZYR MARK IS CONFUSINGLY SIMILAR TO MCNEIL’S ZYRTEC MARK

As a consequence of Walgreens adopting the mark WAL-ZYR, which is confusingly similar to the ZYRTEC mark, consumers are likely to believe that Walgreens’ WAL-ZYR products are made by, affiliated with or authorized by McNEIL, when they are not; that the cetirizine HCl in Walgreens’ product is made by McNEIL, when it is not; that the cetirizine HCl in Walgreens’ product comes from the same source as the cetirizine HCl in McNEIL’s product, when it does not; or that there is some other connection between McNEIL’s product and Walgreens’, when there is none.

D. Application of the *du Pont* Factors

Section 2(d) of the Lanham Act states in pertinent part that a trademark shall be refused registration if it so resembles a prior used or registered mark “as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive.” 15 U.S.C. § 1052(d). In determining likelihood of confusion, the Board weighs the factors set forth in *In re E. I. du Pont de Nemours & Co.*, 177 U.S.P.Q. 563, 567 (C.C.P.A.

www.zyrtecotc.com website on November 19, 2011. (Hooda Dep. at 122:23-123:10.) These and other activities sufficiently establish McNEIL’s own priority of use, *see Era Corp. v. Elec. Realty Assocs., Inc.*, 211 U.S.P.Q. 734, 745-46 (T.T.A.B. 1981) (use of a term in a manner analogous to trademark use, such as use in advertising, may establish priority), and especially over Walgreens’ use of the WAL-ZYR mark considering how closely McNEIL and Walgreens worked together on the ZYRTEC OTC launch. *See 2 McCarthy* § 16:12 at 16-33 (“[P]rominent use of a mark in pre-sales publicity directed at potential customers should suffice to create a priority date, certainly as to a knowing competitor”); *Chandon Champagne Corp. v. San Marino Wine Corp.*, 142 U.S.P.Q. 239, 242 (2d Cir. 1964) (“the concept of priority in the law of trademark is applied ‘not in its calendar sense’ but on the basis of the ‘equities involved’”).

1973), to the extent those factors are relevant to the case at hand. *See Opryland USA Inc. v. Great Am. Music Show, Inc.*, 23 U.S.P.Q.2d 1471, 1473 (Fed. Cir. 1992) (“[n]ot all of the *du Pont* factors are relevant or of similar weight in every case”). Here the relevant *du Pont* factors are: (i) the renown of McNEIL’s ZYRTEC mark; (ii) the identity of the parties’ respective goods; (iii) the substantial similarity of the parties’ marks; (iv) the overlap of the parties’ trade channels and consumers; (v) the lack of sophistication of the parties’ consumers; (vi) the lack of third-party use of similar marks; (vii) the potential for confusion between the marks; and (viii) Walgreens’ bad faith.

The Board’s analysis of the *du Pont* factors must be guided by two broad principles. First, all doubts about whether confusion is likely must be resolved in favor of the prior user. *See Gillette Can. Inc. v. Ranir Corp.*, 23 U.S.P.Q.2d 1768, 1774 (T.T.A.B. 1992); *Nina Ricci S.A.R.L. v. E.T.F. Enters., Inc.*, 12 U.S.P.Q.2d 1901, 1904 (Fed. Cir. 1989). Second, Walgreens, as the newcomer, is obligated to avoid selecting a mark close to the established ZYRTEC mark in order to protect the goodwill and investment in the ZYRTEC mark and to protect consumers from confusion. *Kenner Parker Toys, Inc. v. Rose Art Indus., Inc.*, 22 U.S.P.Q.2d 1453, 1456 (Fed. Cir. 1992); *Nina Ricci S.A.R.L.*, 12 U.S.P.Q.2d at 1904.

With the above principles in mind, analysis of the relevant *du Pont* factors as described below leads to the inevitable conclusion that Walgreens’ WAL-ZYR mark so clearly resembles the prior used ZYRTEC mark as to be likely, when used on or in connection with Walgreens’ goods, to cause confusion, to cause mistake, or to deceive. Therefore, it is beyond doubt that Walgreens’ application to register the WAL-ZYR mark violates Section 2(d) of the Lanham Act, 15 U.S.C. § 1052(d).

1. Opposer's ZYRTEC Mark is Strong and Entitled to a Broad Scope of Protection

The first *du Pont* factor considers the strength of the ZYRTEC mark. *du Pont*, 177 U.S.P.Q. at 567. The strength of a mark is determined by looking at both its inherent strength and its strength in the marketplace. 2 J. Thomas McCarthy, *McCarthy on Trademarks & Unfair Competition* (“*McCarthy*”) § 11:83 at 11-188 (4th ed. 2011); *Tea Bd. of India v. Republic of Tea, Inc.*, 80 U.S.P.Q.2d 1881, 1891-93 (T.T.A.B. 2006). The stronger the mark, the greater the legal protection to which it is entitled. *Kenner Parker Toys Inc.*, 22 U.S.P.Q.2d at 1456 (“the Lanham Act’s tolerance for similarity between competing marks varies inversely with the fame of the prior mark”). As the Board has explained, “[a] strong mark . . . casts a long shadow which competitors must avoid.” *Id.* (citation omitted).

a. The ZYRTEC Mark is Inherently Strong

The inherent strength of a mark is determined by whether the mark is generic, descriptive, suggestive, or arbitrary/fanciful. *See In re MBNA Am. Bank, N.A.*, 67 U.S.P.Q.2d 1778, 1780 (Fed. Cir. 2003). The mark ZYRTEC falls in the most distinctive category of fanciful marks, as the mark is a coined, made-up word that neither describes nor suggests anything about the product. (*See Hooda Dep.* at 44:21-45:19.) As such, the ZYRTEC mark has inherent strength, entitling it to a broader scope of protection. *See In re MBNA Am. Bank, N.A.*, 67 U.S.P.Q.2d at 1780; *W. E. Kautenberg Co. v. Ekco Prods. Co.*, 116 U.S.P.Q. 417, 419 (C.C.P.A. 1958) (“It is well settled that coined or fanciful marks should be given a much broader degree of protection than words in common use.”).

b. The ZYRTEC Mark Has Marketplace Strength

The marketplace strength of a mark is measured by the commercial success and renown of products sold thereunder, evidenced by, for instance, the volume of sales and advertising

expenditures of the goods under the mark, and by the length of time the mark has been used and advertised. *Bose Corp. v. QSC Audio Prods., Inc.*, 63 U.S.P.Q.2d 1303,1305-06 (Fed. Cir. 2002). The Board has “consistently accepted statistics of sales and advertising as indicia of fame: when the numbers are large, [the Board has] tended to accept them without any further supporting proof.” *Id.* at 1306.

i. *Survey Evidence of Consumer Awareness of the ZYRTEC Mark*

According to consumer surveys commissioned by McNEIL and conducted regularly in the company’s ordinary course of business, the ZYRTEC mark enjoys a very high level of consumer recognition. *See HSN LP v. Chang*, Opp. Nos. 91173579 and 91177186, 2009 WL 1896060, at *4-5 (T.T.A.B. June 15, 2009) (relying heavily on brand awareness survey conducted in ordinary course of business). Consumer awareness levels for the ZYRTEC brand in the most recent survey submitted in evidence by McNEIL (for February of 2009) were **Redacted** (See Opp. Exs. 51-62; Hooda Dep. at 80:22-81:5.) *Compare Motion Picture Ass’n of Am., Inc. v. Respect Sportswear, Inc.*, 83 U.S.P.Q.2d 1555, 1561 (T.T.A.B. 2007) (finding RATED R mark to be famous based, *inter alia*, on an annual business survey showing 74% of respondents familiar with RATED R mark in connection with movies or movie ratings). Given such high awareness levels, it is clear that the ZYRTEC brand has considerable recognition in the marketplace and therefore should be deemed a strong and famous mark.

ii. *The ZYRTEC Mark Has Been Used and Advertised Extensively, and Has Enjoyed Strong Sales Success*

The high consumer awareness figures for ZYRTEC are not surprising considering that ZYRTEC products have been sold and marketed extensively and continuously since their introduction in 1996, well before Walgreens’ first use of the WAL-ZYR mark in 2008. UCB’s initial U.S. licensee, Pfizer, first introduced ZYRTEC products in the U.S. in 1996, spending

[Redacted] each year to advertise and promote the ZYRTEC brand and products through 2007. (See *Tomp. Disc. Dep., Opp. Ex. 107*, at 43:7-15; *Hooda Dep.* at 12:12-18, 70:12-24, 94:8-13.) Not only was the ZYRTEC prescription product widely advertised, it was widely distributed as well. During the twelve years ZYRTEC allergy medication was available only by prescription, [Redacted] prescriptions were written for ZYRTEC, equating to [Redacted] in retail sales for ZYRTEC products. *Compare Eli Lilly & Co. v. Natural Answers, Inc.*, 56 U.S.P.Q.2d 1942, 1943 (7th Cir. 2000) (finding PROZAC to be a strong mark based on, *inter alia*, sales of \$12 billion on 240 million prescriptions over 12 years); *Kos Pharm., Inc. v. Andrx Corp.*, 70 U.S.P.Q.2d 1874, 1879 (3d Cir. 2004) (finding that pharmaceutical mark had developed a high level of commercial strength based on sales of \$70 million on more than 350,000 prescriptions in two-and-a half years). Ultimately, the ZYRTEC product became the number one prescribed allergy medicine in the United States. Since its OTC launch in January 2008, there have been [Redacted] in sales of ZYRTEC products, and McNEIL has spent [Redacted] advertising and promoting ZYRTEC products in all types of media – including print, television, radio, Internet, outdoor media and in-store activities. ZYRTEC products are available in all fifty States, in thousands upon thousands of retail outlets. Sales of ZYRTEC products corner almost 21% of OTC allergy medicine sales, making it narrowly the number two brand behind CLARITIN with 27% of the market. The renown of the ZYRTEC mark is further evidenced by thousands of unsolicited references to ZYRTEC allergy medication in national and local newspapers and magazines, as well as coverage in national and local television programs.

In short, the evidence conclusively establishes that McNEIL's ZYRTEC mark has been used and advertised extensively and broadly and has achieved impressive sales success, key

considerations in assessing the renown of the mark. *Bose Corp.*, 63 U.S.P.Q.2d at 1308-09.

Given its broad commercial impact, there can be little dispute that the ZYRTEC mark has a great degree of strength, is famous, and deserves the widest available protection.

* * * * *

In sum, multiple factors point to the strength and renown of the ZYRTEC mark, including consumer awareness levels reaching **Red.** the length and extent of the mark's use and advertising, the sales success of products sold under the mark, and extensive media references to the mark. Given all of this evidence, the Board should hold that the ZYRTEC mark is strong and famous and entitled to a wide ambit of protection.

2. Walgreens' Goods are Identical to McNEIL's Goods

The second *du Pont* factor critical to the analysis here is the similarity of the parties' goods offered under their respective marks. *du Pont*, 177 U.S.P.Q. at 567. Although the parties' respective products are not identical in terms of formulation or efficacy, they are identical for the purposes of the likelihood of confusion analysis. The ZYRTEC mark is used for a medication used to prevent or treat the symptoms of allergies. Likewise, the WAL-ZYR application identifies the goods intended to be sold under the mark as, "pharmaceuticals, namely, allergy medications." In fact, WAL-ZYR and ZYRTEC products are sold in direct competition on Walgreens' shelves. There can be no question that the similarity of the goods factor clearly favors McNEIL.

3. The Parties' Marks are Similar

Another *du Pont* factor focuses on the similarity of the marks. *du Pont*, 177 U.S.P.Q. at 567. In comparing marks, the test is not whether the marks can be distinguished in a side-by-side comparison, but rather whether they are sufficiently similar to be likely to cause confusion

as to some aspect of the goods offered under the marks. *Sealed Air Corp. v. Scott Paper Co.*, 190 U.S.P.Q. 106, 108 (T.T.A.B. 1975).

Although similarity of the marks is generally considered one of the more important of the *du Pont* factors, the degree of similarity that may be sufficient will vary from case to case. *See 4 McCarthy* § 23:20.50 at 23-138. When the goods at issue are identical, as here, “the degree of similarity [between the marks] necessary to support the conclusion of likely confusion declines.” *Century 21 Real Estate Corp. v. Century Life of Am.*, 23 U.S.P.Q.2d 1698, 1700 (Fed. Cir. 1992). Moreover, fanciful marks – including coined terms, such as the ZYRTEC mark – are entitled to “a much broader degree of protection.” *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418, 436 (2003); *see also W. E. Kautenberg*, 116 U.S.P.Q. at 419.

The similarity between McNEIL’s mark and Walgreens’ mark is clear. Both marks incorporate “ZYZ” as the more distinctive syllable and thus dominant portion. Where the dominant portion of two marks is the same, as here, confusion is more likely. *Apple Computer v. TVNET.net, Inc.*, 90 U.S.P.Q.2d 1393, 1396 (T.T.A.B. 2007) (“[I]t is well settled that one feature of a mark may be more significant than another, and it is not improper to give more weight to this dominant feature in determining the commercial impression created by the mark.”); *A & H Sportswear, Inc. v. Victoria’s Secret Stores, Inc.*, 57 U.S.P.Q.2d 1097, 1107 (3d Cir. 2000) (“the more forceful and distinctive aspects of a mark should be given more weight, and the other aspects less weight”); *Giant Food, Inc. v. Nation’s Foodservice, Inc.*, 218 U.S.P.Q. 390, 395 (Fed. Cir. 1983) (“one feature of a mark may be more significant than other features, and it is proper to give greater force and effect to that dominant feature”). In addition, the marks are similar in that they are both coined terms. Because these coined terms have no linguistic context,

the identity of the “ZYR” term between the marks stands out significantly. *See Seven-Up v. Tropicana Prods., Inc.*, 148 U.S.P.Q. 604, 605 (C.C.P.A. 1966).

Walgreens in fact admitted that it adopted the WAL-ZYR name because it referenced the ZYRTEC brand, [REDACTED] Redacted [REDACTED] Redacted. The admission that Walgreens purposefully set out to co-opt a portion of the ZYRTEC mark should end the inquiry as to the confusing similarity of the marks.

Applicant’s inclusion use of the prefix “WAL-” does not suffice to distinguish the WAL-ZYR mark from ZYRTEC. If anything, it merely suggests to consumers that the brand is the cheaper, Walgreens version of ZYRTEC – that is, a product made by the same company as ZYRTEC or otherwise authorized by McNEIL, which accords with consumer understanding that private label brands are often made by the national brand equivalent. (*See Hooda Dep.* at 56:2-58:17.) In light of the common belief that private labels are manufactured by the same entity and at the same level of quality as the national brand – a belief upon which Walgreens shamelessly capitalizes – it stands to reason that consumers seeing Walgreens’ lower-cost WAL-ZYR products would believe that McNEIL had produced the WAL-ZYR product given the similarity in the products’ names.

Walgreens’ trial submissions include evidence that it has used a small number of “WAL-” formative marks for other of its store brand versions of brand name OTC medications. Such evidence is irrelevant. Assuming that Walgreens intends to rely on a “family of marks” defense, and even assuming Walgreens could prove that such a family exists, the adoption of an infringing mark within a pre-existing family of marks cannot avoid a likelihood of confusion. 4

McCarthy § 23:61 at 23-251 (“The family of marks doctrine is an argument available only to an opposer asserting rights, not to an applicant to prove a defense . . .”).

Given the above, the Board must conclude that McNEIL’s ZYRTEC mark and Walgreens’ WAL-ZYR mark are confusingly similar. Accordingly, this *du Pont* factor weighs in McNEIL’s favor.

4. The Parties’ Trade Channels and Customers Overlap

Two other *du Pont* factors that clearly weigh in McNEIL’s favor are the overlap of the parties’ trade channels and consumers. *du Pont*, 177 U.S.P.Q. at 567. The evidence shows that both ZYRTEC and WAL-ZYR products are sold in Walgreens’ stores, side-by-side, in direct competition, to the same consumers. Even without this evidence, because Walgreens’ WAL-ZYR application contains no limitations as to trade channels or purchasers, it is presumed for purposes of analyzing likelihood of confusion that the goods flow through all normal channels of trade and are sold to all consumers. *See In re Elbaum*, 211 U.S.P.Q. 639, 640 (T.T.A.B. 1981). And where the parties’ goods are identical, as here, these channels of trade and consumers would be presumed to overlap. *Cunningham*, 55 U.S.P.Q.2d at 1846.

Thus, whether viewed in light of the evidence presented or the presumptions attaching to Walgreens’ non-limited application, both the similarity of the trade channels and the similarity of the consumers factors weigh heavily in McNEIL’s favor.

5. The Parties’ Consumers are Neither Sophisticated Nor Necessarily Careful

Another *du Pont* factor considers “the conditions under which and buyers to whom sales are made, *i.e.*, ‘impulse’ vs. careful, sophisticated purchasing.” *du Pont*, 177 U.S.P.Q. at 567. Impulse purchasers are more likely to be confused than sophisticated purchasers, because the

lower the cost of the products at issue, the less careful consumers are likely to be. *Recot, Inc. v. Becton*, 54 U.S.P.Q.2d 1894, 1899 (Fed. Cir. 2000).

Although the parties' products at issue are medications, they are relatively low-cost products sold over-the-counter to ordinary consumers who have no special knowledge or expertise. Although even ordinary consumers may exercise some level of care in selecting health care products, there is no degree of care that could be exercised that would affect perception of the sponsorship, approval or endorsement of a given product. *See* 3A Louis Altman, *Callman on Unfair Competition, Trademarks & Monopolies* § 21:11 ("care with which consumers select a product does not impact the association they may make regarding sponsorship of another product or service; therefore, neither a low level of consumer care, nor a high degree of care will have much effect on the likelihood of confusion of sponsorship"); *Eli Lilly & Co. v. Natural Answers, Inc.*, 86 F. Supp. 2d 834, 843 (S.D. Ind. 2000) (there is no reason to expect ordinary consumers to exercise great care to determine whether a pharmaceutical preparation is or is not "affiliated, connected or associated" with a pharmaceutical manufacturer). Thus, because McNEIL's claim includes confusion relating to sponsorship or approval, rather than merely product confusion, this factor must favor McNEIL.

6. There is No Evidence of Third Party Uses That Weaken the ZYRTEC Mark

Because "[e]vidence of third-party use of similar marks on similar goods is relevant to show that a mark is relatively weak and entitled to only a narrow scope of protection," *Palm Bay Imps., Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 73 U.S.P.Q.2d 1689, 1693 (Fed. Cir. 2005) (citations omitted), another *du Pont* factor assesses "[t]he number and nature of similar marks in use on similar goods." *du Pont*, 177 U.S.P.Q. at 567.

Here, there is no evidence of third-party use of similar marks on similar goods.

Walgreens has introduced no evidence of any third party ZYRTEC marks. It has not even been able to show that any allergy medications other than ZYRTEC and WAL-ZYR share the distinctive “ZYR” portion of McNEIL’S mark. The only evidence of third-party marks incorporating “ZYR” that Walgreens has introduced are six trademark registrations for the marks ZYROX, ZYROXIN, ZYRKAMINE, PREZYRA, ENZYRELIEF and FIRAZYR. (App. Exs. 124-129.) All are registered for unrelated products, such as pesticides, and thus are irrelevant to the inquiry here. Further, Walgreens has submitted no evidence that any of these marks are in actual use or that, even if in use, have achieved any market penetration. *See AMF Inc. v. Am. Leisure Prods., Inc.*, 177 U.S.P.Q. 268, 270 (C.C.P.A. 1973) (mere fact of federal registration proves neither that the registered mark actually is in use nor that consumers have been exposed to the mark). Moreover, “[e]ven the registration of arguably confusing marks does not give applicant the right to register another confusing mark.” *Hasbro, Inc. v. Braintrust Games, Inc.*, Opp. No. 91169603, 2009 TTAB LEXIS 543, at *24-5 (T.T.A.B. Aug. 24, 2009) (citing *AMF Inc.*, 177 U.S.P.Q. at 269; *Nat’l Aeronautics v. Record Chem. Co.*, 185 U.S.P.Q. 563, 567 (T.T.A.B. 1975)).

Thus, the “evidence” offered by Walgreens concerning marks that incorporate the term “ZYR” is of no probative value on any issue relevant to these proceedings. *Charrette Corp. v. Bowater Commc’n Papers, Inc.*, 13 U.S.P.Q.2d 2040, 2043 (T.T.A.B. 1989); *In re Hub Distrib., Inc.*, 218 U.S.P.Q. 284, 285 (T.T.A.B. 1983).¹²

¹² Walgreens also introduced evidence of other third-party trademark registrations for marks that do not incorporate “ZYR”, namely, registrations for the marks ZERLOR, ZEROID, ZERNILOR, ZERTIHALER and ZERTYHALER. (App. Exs. 130-134.) Although Walgreens claims these marks include portions that are phonetically similar to ZYR, Walgreens has submitted no evidence as to phonetic similarity, such as testimony of linguistics experts. The registrations

Because WAL-ZYR is the only mark for allergy products that co-opts the distinctive “ZYR” prefix from McNEIL’s ZYRTEC mark, consumers are more likely to believe that Walgreens’ WAL-ZYR product bears a special relationship to the ZYRTEC product not shared by other store-brand versions of cetirizine HCl. Even if consumers understand that ZYRTEC products and WAL-ZYR products are two different products, they are likely to nonetheless believe, based on the fact that WAL-ZYR is the only other cetirizine HCl product sharing the “ZYR” portion of the ZYRTEC mark, that McNEIL has affirmatively authorized Walgreens’ use of the WAL-ZYR mark as an indication that the WAL-ZYR product is equivalent to the ZYRTEC allergy medication. Consumers could also believe based on the similarity of names not found elsewhere in the market that McNEIL manufactured the WAL-ZYR product, as it is not uncommon for pharmaceutical companies to manufacture private label of store brands for their customers.¹³ Consumers might also believe based on the similar names that the ZYRTEC and WAL-ZYR products share some other connection, such as sharing a manufacturer (other than McNEIL) or a common source for the active ingredient. Consumers could also believe based on the name similarity that, like McNEIL, Walgreens is a licensee of UCB. None of these is true, and all represent types of confusion which trademark law is meant to present.

Accordingly, this *du Pont* factor also weighs in McNEIL’s favor.

themselves do not attest to the pronunciation of the marks, and, as the Board has held, there is no correct pronunciation of an arbitrary mark. *Gaby, Inc. v. Irene Blake Cosmetics*, 76 U.S.P.Q. 603, 604-05 (C.C.P.A. 1948); *Kabushiki Kaisha Hattori Tokeiten v. Scuto*, 228 U.S.P.Q. 461, 462-63 (T.T.A.B. 1985). Further, these additional registrations do not cover allergy medications, nor has Walgreens submitted evidence of the use of the marks or consumer recognition of the marks. These submissions, consequently, are of no value.

¹³ Because McNEIL does not manufacture private label cetirizine HCl – a fact that McNEIL advertises on all packages of its ZYRTEC product – this false belief would not only be damaging to the ZYRTEC brand, but would also be especially damaging to McNEIL’s reputation.

7. The Potential for Confusion Between the Parties' Marks is Great

The next *du Pont* factor requires the Board to look at “[t]he extent of potential confusion, i.e., whether de minimis or substantial.” *du Pont*, 177 U.S.P.Q. at 567.

The potential for confusion here is great as both ZYRTEC and WAL-ZYR are sold to the general population in high volume, which generates astronomical numbers of potentially confused consumers at thousands of retail outlets. *In re Angelo Ghailien*, S.N. 78654584, 2010 WL 2191887, at * 4 (T.T.A.B. May 18, 2010) (“because these are frequently purchased consumer products bought by the public at large, the number of people who may be confused is substantial”); *see also Promark Brands Inc. v. Schwans IP LLP*, Opp. No. 91159653, 2007 WL 2415748, at * 8 (T.T.A.B. Aug. 17, 2007); *Corning Inc. v. Vitrocrisa S.A. de C.V. Co.*, Opp. No. 91119107, 2005 WL 847430, at * 7 (T.T.A.B. March 14, 2005). Further, ZYRTEC and WAL-ZYR products are sold in the exact same channels – namely, Walgreens’ stores – to the same consumers, also creating a great potential for confusion. *See H-D Mich., Inc. v. Hog Cream Enters.*, Opp. No. 91152998, 2005 WL 548066, at * 8 (T.T.A.B. Feb. 24, 2005) (selling products to same customers through same channels makes potential for confusion substantial). The fact that the marks are attached to similar pharmaceutical products that treat the same condition or symptoms further creates the potential for likely confusion. *See Blansett Pharmacal Co. v. Carmick Labs. Inc.*, 25 U.S.P.Q.2d 1473, 1477 (T.T.A.B. 1992) (finding confusion likely between NALEX and NOLEX).

For all the reasons and others discussed earlier, the factor analyzing the potential for confusion weighs strongly in McNEIL’s favor. *Compare William Carter Co. v. H.W. Carter & Sons, Inc.*, Opp. No. 91111355, 2004 WL 506139, at * 16 (T.T.A.B. Feb. 27, 2004) (“Given the fame of opposer’s mark and the fact that opposer sells 20 million units annually, and given the

relatively inexpensive cost of these goods, we find that the extent of potential confusion which would result from applicant's use of a confusingly similar mark to sell the same type of goods in the same trade channels and to the same purchasers is substantial, not de minimus.”).

8. Walgreens Has Acted in Bad Faith

The inquiry into Walgreens' intent investigates whether Walgreens adopted the mark at issue with the intent of causing confusion *or* with the intent of appropriating the senior user's goodwill. *See Nautilus Grp., Inc. v. ICON Health & Fitness, Inc.*, 71 U.S.P.Q.2d 1173, 1178 (Fed. Cir. 2004) (citations omitted) (“The law has long been established that if an infringer adopts [its] designation with the intent of deriving benefit from the reputation of the trade-mark or trade name, its intent may be sufficient to justify the inference that there are confusing similarities.”) “When an alleged infringer knowingly adopts the mark of another, courts presume that it can accomplish its purpose of deceiving the public.” *Bandag, Inc. v. Al Bolser's Tire Stores, Inc.*, 223 U.S.P.Q. 982, 990 (Fed. Cir. 1984); *Checkpoint Sys., Inc. v. Check Point Software Techs., Inc.*, 60 U.S.P.Q.2d 1609, 1618 (3d Cir. 2001) (“evidence of intentional, willful and admitted adoption of a mark closely similar to the existing mark weighs strongly in favor of finding [a] likelihood of confusion.” (quotation omitted)); *see Morgenstern Chem. Co. v. G.D. Searle & Co.*, 116 U.S.P.Q. 480, 483 (3d Cir. 1958) (citing finding that the defendant “trod a very narrow course” when it adopted the name MICTINE with full knowledge of the prior use of the name MICTURIN).

There can be no serious dispute that Walgreens intended to create a close association with McNEIL's ZYRTEC product and thereby appropriate the goodwill built up in the ZYRTEC mark when it co-opted for its own product the “ZYR” portion of McNEIL's mark; Walgreens has repeatedly admitted as much. Walgreens did not need to take the most prominent portion of

the brand name product, “ZYR,” in order to compete successfully with McNEIL; no other retailer of which McNEIL is aware has found it necessary to copy the ZYRTEC mark in this manner in connection with a cetirizine HCl product. Walgreens had a universe of available names from which to choose. The fact that it chose, among the unlimited options available to it, to take the dominant portion of the ZYRTEC mark speaks volumes about its intentions. *Lambert Pharmacal Co. v. Bolton Chem. Corp.*, 219 F. 325, 326 (S.D.N.Y. 1915) (“In choosing an arbitrary trade-name, there was no reason whatever why they should have selected one which bore so much resemblance to the plaintiff’s; and in such cases any possible doubt of the likelihood of damage should be resolved in favor of the plaintiff.”).

Because Walgreens’ intent to trade on the goodwill McNEIL built up in the ZYRTEC mark is so transparent, the intent factor clearly favors McNEIL.

9. Other Probative Evidence

In addition to the specific factors listed in *du Pont*, the Board must consider any other established evidence probative of likelihood of confusion. *du Pont*, 177 U.S.P.Q. at 567. In this case, there are several additional facts that the Board should consider.

One such fact is the similarity between the respective packaging of the ZYRTEC and WAL-ZYR products. The fact that both parties use a nearly identical green color scheme for their respective packaging and marketing materials only reinforces the potential for confusion between the parties’ respective marks. *See L.A. Gear, Inc. v. Calcados Ferracini Ltda.*, Opp. No. 91168866, 2009 WL 4086545, at *5 (T.T.A.B. Sept. 23, 2009) (finding fact that both parties present marks in red relevant to the likelihood of confusion analysis, despite color not being claimed in either the application or the opposer’s registration) (citation omitted); *Gillette Can. Co. v. Kivy Corp.*, Opp. No. 91116804, 2003 WL 203123, at *4 (T.T.A.B. Jan. 29, 2003) (fact

that applicant displayed its mark in “the same color that opposer consistently uses to display its mark” relevant to confusion analysis); *Uncle Ben’s, Inc. v. Stutenberg Int’l, Inc.*, 47 U.S.P.Q.2d 1310, 1312 (T.T.A.B. 1998) (same).

Another relevant fact for the Board to consider is Walgreens’ standard practice of placing WAL-ZYR and ZYRTEC products adjacent to each other on its store shelves. This shelving practice makes it more likely that harried shoppers, many of them operating under the haze of allergy symptoms, might confuse the two products.

Also tending to increase the likelihood of confusion between the parties’ marks is the fact that the marks at issue are used on medicinal products. Many courts and the Board have suggested that the likelihood of confusion standard should be lowered where pharmaceutical products are concerned:

In the field of medicinal remedies the courts may not speculate as to whether there is a probability of confusion between similar names. If there is any possibility of such confusion in the case of medicines public policy requires that the use of the confusingly similar name be enjoined.

Morgenstern Chem., 116 U.S.P.Q. at 483; *see also Glenwood Labs., Inc. v. Am. Home Prods. Corp.*, 173 U.S.P.Q. 19, 21 (C.C.P.A. 1972) (in appeal from opposition, noting support in previous Board decisions for “[t]he board’s view that a higher standard be applied to medicinal products”); *Clifton v. Plough*, 144 U.S.P.Q. 599, 600 (C.C.P.A. 1965) (“[I]t is necessary, for obvious reasons, to avoid confusion in the dispensing of pharmaceuticals.”); *Blansett*, 25 U.S.P.Q.2d at 1477 (where products are pharmaceutical in nature, “it is even more important to avoid that which will cause confusion”); *Kos Pharm.*, 70 U.S.P.Q.2d at 1887 (stricter standard to be applied in cases involving medicines); *Syntex Labs., Inc. v. Norwich Pharmacal Co.*, 169 U.S.P.Q. 1, 3 (2d Cir. 1971) (same).

Further, the Board should consider the common practice of manufacturers of name brand products to produce similar or identical products for sale as private label store brands. Because consumers are well aware of this practice, they are more likely to believe that McNEIL manufactures Walgreens' WAL-ZYR product for Walgreens.

10. Balancing the *du Pont* Factors

Every single factor relevant to this proceeding – plus additional factors probative of confusion – favors McNEIL. Though ZYRTEC is an extremely strong mark, Walgreens nevertheless intentionally chose to trade on the goodwill of the ZYRTEC mark by appropriating for its own benefit the distinctive “ZYR” portion for an identical product serving an identical purpose, provided and marketed to the identical consumer base through an identical channel of trade.

In these circumstances, to hold that the substantially similar mark WAL-ZYR for allergy medications is not confusingly similar to the famous ZYRTEC mark used in connection with identical goods runs counter to law and runs counter to the long-established trademark rights in the ZYRTEC mark. The facts and law thus require that the Board conclude that Walgreens' attempted registration of the WAL-ZYR mark for allergy medications is likely to cause confusion, mistake and deception with respect to McNEIL's prior used and registered ZYRTEC mark in violation of Section 2(d) of the Lanham Act, and that therefore judgment must be entered in favor of McNEIL.

F. The WAL-ZYR Mark is Likely to Dilute the Distinctive Character of the ZYRTEC Mark

Not only does the WAL-ZYR mark pose a likelihood of confusion with the ZYRTEC mark, the WAL-ZYR mark is also likely to dilute the ZYTEC mark. Thus, the WAL-ZYR application must also be denied registration because the WAL-ZYR mark is likely to dilute the distinctiveness of the ZYRTEC mark in violation of Sections 2(f) and 43(c) of the Lanham Act.

Section 43(c) of the Lanham Act states in pertinent part:

[T]he owner of a famous mark that is distinctive . . . shall be entitled to an injunction against another person who, at any time after the owner's mark has become famous, commences use of a mark or trade name in commerce that is likely to cause dilution by blurring . . . of the famous mark, regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury.

15 U.S.C. § 1125(c)(1). Here, Walgreens' use of the WAL-ZYR Mark would be likely to cause just such dilution.

1. The ZYRTEC Mark is Famous

Under the Lanham Act, a mark is deemed famous for purposes of a dilution claim if the mark "is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner." 15 U.S.C. § 1125(c)(2)(A). Factors to be considered in making this assessment include but are not limited to (i) the duration, extent, and geographic reach of advertising and publicity of the mark, whether by the owner or third parties, (ii) the amount, volume, and geographic extent of sales of goods offered under the mark, (iii) the extent of actual recognition of the mark, and (iv) whether the mark is registered. *Id.*

Here, the record abounds with evidence demonstrating the fame of the ZYRTEC mark. McNEIL and its predecessor-in-interest have been using the ZYRTEC mark exclusively in the U.S. for the past fifteen years, engaging in extensive advertising and sales of ZYRTEC products. (*Supra* Sections IV(A) and IV(B)(3-4).) Retail sales of ZYRTEC products averaged approximately **Redacted** each year following the OTC launch of ZYRTEC, and McNEIL alone has spent **Redacted** to advertise and promote OTC ZYRTEC products. (*Supra* Sections IV(B)(3-4).) Prior to the OTC launch of ZYRTEC, prescription sales of the product

[Redacted], backed by [Redacted] in advertising spend each year. ZYRTEC has consistently been one of the top two allergy medications in its market, becoming the number one prescribed allergy medication in the country prior to 2008, and achieving the second largest market share for OTC allergy medications since the OTC launch in 2008. (*Supra* Sections IV(A)(1) and IV(B)(3).) There can be little question that a brand that has remained near the top of its category almost continuously throughout the last decade is a successful brand, another key consideration in assessing the renown of the mark. *See Palm Bay Imps.*, 73 U.S.P.Q.2d at 1695 (VEUVE CLICQUOT found famous based on, *inter alia*, evidence that brand was second-best selling champagne). In addition, the ZYRTEC Mark has garnered extensive recognition, as evidenced by widespread unsolicited media references. Plus, consumer surveys show that recognition of the mark has reached [Red.]. (*Supra* Section IV(B)(6).)

Given the extensive use of the ZYRTEC mark, the [Redacted] of dollars spent by McNEIL and its predecessor-in-interest to promote the mark, the [Redacted] of sales of products under the mark, and consumer awareness levels above [Red.], the evidence supports the conclusion that the ZYRTEC mark is “famous among a broad spectrum of the general consuming public,” *see Nat’l Pork Bd.*, 96 U.S.P.Q.2d at 1495-96, thus qualifying it as a famous mark under the meaning of Section 43(c) of the Lanham Act. *Compare to Eli Lilly*, 56 U.S.P.Q.2d at 1943 (PROZAC a famous mark for dilution purposes based on, *inter alia*, \$12 billion in sales and 240 prescriptions over 12 years); *McNeil Consumer Brands, Inc. v. U.S. Dentek Corp.*, 56 U.S.P.Q.2d 1758, 1759 (E.D. Pa. 2000) (TYLENOL a famous mark for dilution purposes based on, *inter alia*, more than \$19 billion sales over 45 year history).

Also, there can be no question that the ZYRTEC mark became famous long before any date on which Walgreens can rely. By 2007, the ZYRTEC mark had been in extensive use for

more than a decade, had achieved sales of **Redacted**, and had been supported by **Redacted** of dollars of advertising.

2. Walgreens' WAL-ZYR Mark is Likely to Dilute McNEIL's ZYRTEC Mark

“‘[D]ilution by blurring’ is association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark.” 15 U.S.C. § 1125(c)(2)(B). In determining whether a mark is likely to cause dilution by blurring, the Board may consider all relevant factors, including but not limited to (i) the degree of similarity between the marks, (ii) the degree of inherent or acquired distinctiveness of the opposer’s mark, (iii) the extent to which the opposer is engaging in substantially exclusive use of its mark, (iv) the degree of public recognition of the opposer’s mark, (v) whether the applicant intended to create an association with the famous mark, and (vi) any actual association between the parties’ marks. *Id.*

Importantly, to establish dilution, the statute does not require that the marks at issue be identical (or even substantially similar) – the degree of similarity of the marks is only one of the six non-exhaustive factors to consider in the statutory analysis. *Levi Strauss & Co. v. Abercrombie & Fitch Trading Co.*, 97 U.S.P.Q.2d 1947, 1959 (9th Cir. 2011) (noting that the “post-TDRA federal dilution statute... provides us with a compelling reason to discard the ‘substantially similar’ requirement for federal trademark dilution actions” since it does not use the terms “very” or “substantial” in connection with the similarity factor, and “[c]onsideration of a “degree” of similarity as a factor in determining the likelihood of dilution does not lend itself to a requirement that the similarity between the subject marks must be ‘substantial’ for a dilution claim to succeed”), citing *Starbucks Corp. v. Wolfe’s Borough Coffee, Inc.*, 92 U.S.P.Q.2d 1769, 1777-78 (2d Cir. 2009) (same). Not only the Courts but also the Board have made it clear that the marks at issue need not be identical to establish dilution. *Nat’l Pork Bd.*, 96 U.S.P.Q.2d at 1492 (finding THE OTHER RED MEAT to be dilutive of THE OTHER WHITE MEAT).

As noted in Section V(E)(3), *supra*, the parties' marks are substantially similar. Both marks incorporate "ZYR" as the most prominent portion of the mark, and the secondary element of Walgreens' mark "WAL" goes mainly unnoticed and functions to direct the consumer to the second syllable, which references the national brand name ZYRTEC. (*See id.*) Compare *Starbucks Corp.*, 92 U.S.P.Q.2d at 1778 (STARBUCKS and CHARBUCKS sufficiently similar for dilution purposes). Further, both marks are coined terms with no linguistic context, making the ZYR portion of the marks stand out even more prominently. (*Supra* Section V(E)(1).)

Turning to the remaining factors, the ZYRTEC mark as a coined term is arbitrary and inherently distinctive as applied to the ZYRTEC goods, as noted in Sections IV(A-B). It also has substantial strength in the marketplace. *See Bose Corp.*, 63 U.S.P.Q.2d at 1306. In addition, given the lack of third-party use of the ZYRTEC mark or even the "ZYR" portion of the mark, use of the ZYRTEC mark has been exclusive to McNEIL and its predecessor-in-interest. In addition, the evidence of enormous public recognition and awareness of the ZYRTEC mark has been set forth in Sections IV(A-B) above.

The last two factors – (v) whether Walgreens intended to create an association with ZYRTEC and (vi) whether an actual association between the two marks exists – also weigh heavily towards a finding of dilution. Walgreens has admitted that it selected the WAL-ZYR mark specifically to convey a connection to the ZYRTEC mark and to capitalize on consumers' recognition of the ZYRTEC brand. (*Supra* Section IV(C)(1).) And Walgreens creates an association between the two marks on its packaging and through its marketing practices. (*Supra* Section IV(C)(2).) It is almost impossible to view the WAL-ZYR products or any advertisement therefor without also seeing the ZYRTEC mark: WAL-ZYR packaging incorporates a prominent reference to the ZYRTEC brand on the front of all of its packaging, WAL-ZYR advertisements


routinely reference the ZYRTEC brand (*see, e.g.*, Opp. Ex. 118 at W5321, 5323, 5329, 5345-46, 5359, 5390-92, 5439-40), and Walgreens shelves WAL-ZYR products adjacent to ZYRTEC products in its stores.

After considering all relevant factors, the Board must conclude that Walgreens' WAL-ZYR mark is likely to dilute McNEIL's famous ZYRTEC mark by blurring. Accordingly, this Opposition should be sustained in its entirety and registration of the WAL-ZYR application should be refused under Section 2(f) of the Lanham Act, 15 U.S.C. § 1052(f).

VI. CONCLUSION

For the foregoing reasons, McNEIL submits that the evidence establishes both a clear likelihood of confusion, mistake and deception and a clear likelihood of dilution arising from registration of Walgreens' WAL-ZYR mark. Accordingly, McNEIL respectfully requests that registration of Application Serial No. 76/682,070 be denied and that final judgment for McNEIL be entered in these consolidated proceedings.

Respectfully Submitted,


Laura Popp-Rosenberg, Esq.
Giselle C. Woo, Esq.

FROSS ZELNICK LEHRMAN & ZISSU, P.C.
866 United Nations Plaza
New York, New York 10017
Tel.: (212) 813-5900
lpopp-rosenberg@fzlz.com
gwoo@fzlz.com

Dated: July 15, 2011

Descriptions of Opposer's Exhibits

ROHINISH HOODA DEPOSITION TESTIMONY	
Opposer's Exhibit 1	OTC License Agreement, between UCB Inc. and Warner Lambert Co. LLC, a wholly-owned subsidiary of Pfizer, Inc., dated February 10, 2006 McNEIL 000193-237
Opposer's Exhibit 2	Stock and Asset Purchase Agreement between Pfizer, Inc. and Johnson & Johnson, dated June 25, 2006 McNEIL 001564-1648
Opposer's Exhibit 3	U.S. Bill of Sale, Assignment and Assumption Agreement among Pfizer Inc., Johnson & Johnson, McNEIL-PPC, Inc. and others, dated December 20, 2006 McNEIL 001655-1662
Opposer's Exhibit 4	Draft letters sent by large health care insurers and pharmacy benefit managers, such as Medco Health Solutions, Inc., to patients who were users of prescription ZYRTEC as part of the ZYRTEC OTC launch McNEIL 001217-1222
Opposer's Exhibit 5	Specimen: ZYRTEC, 30 count package McNEIL 001314
Opposer's Exhibit 6	Letters sent by UnitedHealthcare to members who were users of prescription ZYRTEC as part of the ZYRTEC OTC launch McNEIL 001223-24
Opposer's Exhibit 7	Draft letter sent by WellPoint NextRx in January 2008 to members who were users of prescription ZYRTEC as part of the ZYRTEC OTC launch McNEIL 001225-27
Opposer's Exhibit 8	Letter sent by Aetna to members who were users of prescription ZYRTEC as part of the ZYRTEC OTC launch McNEIL 001231
Opposer's Exhibit 9	Letter sent by Blue Cross of Northeastern Pennsylvania in January 2008 to members who were users of prescription ZYRTEC as part of the ZYRTEC OTC launch McNEIL 001232-33
Opposer's Exhibit 10	Letter sent by BlueCross BlueShield of Florida Health Options in January 2008 to members who were users of prescription ZYRTEC as part of the ZYRTEC OTC launch McNEIL 001234
Opposer's Exhibit 11	Letter sent by Blue Cross and Blue Shield of Louisiana to members who were users of prescription ZYRTEC as part of the ZYRTEC OTC launch McNEIL 001235-236

Descriptions of Opposer's Exhibits

Opposer's Exhibit 12	Letter sent by BlueCross BlueShield of North Carolina to members who were users of prescription ZYRTEC as part of the ZYRTEC OTC launch McNEIL 001237
Opposer's Exhibit 13	Letter sent by Blue Choice South Carolina to members who were users of prescription ZYRTEC as part of the ZYRTEC OTC launch McNEIL 001238
Opposer's Exhibit 14	Letter sent by CareFirst BlueChoice in January 2008 to members who were users of prescription ZYRTEC as part of the ZYRTEC OTC launch McNEIL 001239
Opposer's Exhibit 15	Letter sent by BlueCross BlueShield of Delaware in January 2008 to members who were users of prescription ZYRTEC as part of the ZYRTEC OTC launch McNEIL 001240
Opposer's Exhibit 16	Layouts for newspaper free-standing inserts used as part of the ZYRTEC OTC launch in early 2008 McNEIL 000013-14
Opposer's Exhibit 17	Layouts for newspaper free-standing inserts used in 2008 McNEIL 000034-35
Opposer's Exhibit 18	Layouts for newspaper free-standing inserts used in 2008 McNEIL 000034-35
Opposer's Exhibit 19	Layouts for newspaper free-standing inserts used in 2008 McNEIL 000051-52
Opposer's Exhibit 20	List of coupons distributed as part of the ZYRTEC OTC launch by health care insurers, pharmacy benefit managers, retailers, and via the ZYRTEC website McNEIL 001293-296
Opposer's Exhibit 21	Letter sent by Walgreens Pharmacy on January 18, 2008 to Walgreens' customers who were users of prescription ZYRTEC as part of the ZYRTEC OTC launch McNEIL 001256
Opposer's Exhibit 22	Photographs of shelf blocks, shelves, dump bins, window signs, endcaps, basket signs, SmartSource ShelfTalk signs, counter displays, online advertisements, outdoor advertising, and other advertising and promotional materials for ZYRTEC and WAL-ZYR products, as shown at Walgreens stores throughout the country in 2008 McNEIL 001025-54
Opposer's Exhibit 23	Layouts for ZYRTEC display as shown in Walgreens stores throughout the country McNEIL 000056-57
Opposer's Exhibit 24	Sample screens of webpages from various websites, including www.ZYRTEC.com , www.zyrtopia.com , www.ZYRTECprofessional.com , www.myhealthyseasons.com , www.healthyseasonsoffers.com , and www.walgreens.com/ZYRTEC

Descriptions of Opposer's Exhibits

	McNEIL 000116-133
Opposer's Exhibit 25	Promotional materials designed for physicians and pharmacists sent as part of the ZYRTEC OTC launch, including letters, postcards, coupons, informational sheets, patient guides and other assorted materials McNEIL 001055-1164
Opposer's Exhibit 26	Promotional flier for ZYRTEC Spring Wonderland Dome 2008 McNEIL 000107-108
Opposer's Exhibit 27	"A Profile of Zyrtec OTC; Three Months Post Launch; May 2008": quarterly report that tracks brand equity McNEIL 000761-790
Opposer's Exhibit 28	Press Releases, by McNEIL Consumer Healthcare/Johnson & Johnson and U.S. Food & Drug Administration, released in November 2007 announcing FDA approval of cetirizine HCl/ZYRTEC for nonprescription use McNEIL 000109-115
Opposer's Exhibit 29	CD Rom disk containing commercials shown on cable and network television (including appearances by comedienne Molly Shannon), radio advertisements, and other graphics designed and developed to launch and promote ZYRTEC as an OTC product McNEIL 001322-24, 1558-563
Opposer's Exhibit 30	CD Rom disk containing ZYRTEC television commercials released after the ZYRTEC OTC launch McNEIL 005157-160
Opposer's Exhibit 31	Viral marketing campaign comparing ZYRTEC to CLARITIN in selectively placed outdoor advertisements McNEIL 001551
Opposer's Exhibit 32	Detailing aid placed in physicians' offices for patients to read while waiting for a physician ("Leave Behind") McNEIL 001552
Opposer's Exhibit 33	Outdoor billboard in Bentonville, Arkansas, used in connection with the ZYRTEC OTC launch McNEIL 001553
Opposer's Exhibit 34	Print advertisement for prescription ZYRTEC, designed and developed by Pfizer, Inc., which highlights the pronunciation of the ZYRTEC name McNEIL 001554
Opposer's Exhibit 35	Print advertisements for prescription ZYRTEC and children's ZYRTEC, designed and developed by Pfizer, Inc., which highlight the pronunciation of the ZYRTEC name McNEIL 001555
Opposer's	Print advertisement for prescription ZYRTEC, designed and developed by Pfizer,

Descriptions of Opposer's Exhibits

Exhibit 36	Inc., which highlights the pronunciation of the ZYRTEC name McNEIL 001556
Opposer's Exhibit 37	Print advertisement for prescription ZYRTEC, designed and developed by Pfizer, Inc., which highlights the pronunciation of the ZYRTEC name McNEIL 001557
Opposer's Exhibit 38	Print advertisement for ZYRTEC Liquid Gels product, launched in early 2010 McNEIL 005114
Opposer's Exhibit 39	ZYRTEC Liquid Gels Internet banner advertisement McNEIL 005115-125
Opposer's Exhibit 40	Print advertisement for ZYRTEC Liquid Gels product McNEIL 005126
Opposer's Exhibit 41	Print advertisement for ZYRTEC-D product McNEIL 005127-28
Opposer's Exhibit 42	Specimen: ZYRTEC Liquid Gels, 40 count package McNEIL W5832
Opposer's Exhibit 43	Specimen: WAL-ZYR, 14 count package W1990
Opposer's Exhibit 44	Specimen: WAL-ZYR, 30 count package W1998
Opposer's Exhibit 45	Final Story Boards of television commercials for ZYRTEC products, aired in 2008 and 2009 McNEIL 001664-670
Opposer's Exhibit 46	"ZYRTEC: Total by SKU": report of ZYRTEC product sales, both in dollars and unit sales, for 2008 and part of 2009 McNEIL 002214-15
Opposer's Exhibit 47	"ZYRTEC Unit Ships LTD": internal McNEIL-PPC, Inc. report of shipments of ZYRTEC, in number of units, to various retailers across the country in 2008 and part of 2009 McNEIL 002216-17
Opposer's Exhibit 48	"Zyrtec/Cold Remedy Adult (Includes Zyrtec-D) Product Snapshot Summary and Demographic Detail Report": reports generated by market research company Nielsen that analyze the demographic profile of the ZYRTEC user McNEIL 000850-52
Opposer's Exhibit 49	"ZYRTEC: Monthly All Outlet Total by SKU": report of ZYRTEC sales in dollars and units for all retail outlets for 2009 and part of 2010 McNEIL 005129-130
Opposer's Exhibit 50	Report of weekly sales and market share for ZYRTEC and other allergy products sold in retail stores for 2008-2010

Descriptions of Opposer's Exhibits

	McNEIL 005102-107
Opposer's Exhibit 51	"Monthly Scorecard – Adult Tracker; Pre-Launch of Zyrtec OTC": monthly scorecard that tracks various measures of ZYRTEC brand equity, such as unaided awareness and intent, dated February 19, 2008 McNEIL 000741-46
Opposer's Exhibit 52	"Zyrtec OTC Monthly Scorecard – Adult Tracker; 1 Mos. Post Launch": monthly scorecard that tracks various measures of ZYRTEC brand equity one month post launch McNEIL 000747-753
Opposer's Exhibit 53	"Monthly Scorecard – Adult Tracker; Pre-Launch of Zyrtec OTC": monthly scorecard that tracks various measures of ZYRTEC brand equity prior to the launch of ZYRTEC OTC McNEIL 000754-760
Opposer's Exhibit 54	"Monthly Scorecard – Adult Tracker; Five Months Post Launch of Zyrtec OTC; Issued: July 2008": monthly scorecard that tracks various measures of ZYRTEC brand equity five months post launch McNEIL 000791-806
Opposer's Exhibit 55	"Monthly Scorecard – Adult Tracker; Six Months Post Launch of Zyrtec OTC; Issued: August 2008": monthly scorecard that tracks various measures of ZYRTEC brand equity six months post launch McNEIL 000807-823
Opposer's Exhibit 56	"Monthly Scorecard – Adult Tracker; Four Months Post Launch of Zyrtec OTC; Issued: September 2008": monthly scorecard that tracks various measures of ZYRTEC brand equity four months post launch McNEIL 000824-836
Opposer's Exhibit 57	"Monthly Scorecard – Adult Tracker; Three Months Post Launch of Zyrtec OTC; Issued: April 2008": monthly scorecard that tracks various measures of ZYRTEC brand equity three months post launch McNEIL 000837-849
Opposer's Exhibit 58	"Monthly Scorecard – Adult Tracker; Post Launch of Zyrtec OTC; Issued: November 2008": monthly scorecard that tracks various measures of ZYRTEC brand equity ten months post launch McNEIL 001331-1348
Opposer's Exhibit 59	"Monthly Scorecard – Adult Tracker; Issued: February 2009": monthly scorecard that tracks various measures of ZYRTEC brand equity twelve months post launch McNEIL 001349-1366
Opposer's Exhibit 60	"Monthly Scorecard – Adult Tracker; Issued: March 2009": monthly scorecard that tracks various measures of ZYRTEC brand equity thirteen months post launch McNEIL 001367-1384
Opposer's	"Monthly Scorecard – Adult Tracker; Issued: April 2009": monthly scorecard that

Descriptions of Opposer's Exhibits

Exhibit 61	tracks various measures of ZYRTEC brand equity fourteen months post launch McNEIL 001385-1402
Opposer's Exhibit 62	"Monthly Scorecard – Adult Tracker; Issued: May 2009": monthly scorecard that tracks various measures of ZYRTEC brand equity fifteen months post launch McNEIL 001403-425
Opposer's Exhibit 63	"J&J's Zyrtec: A Marketing 50 Case Study," published by <i>Advertising Age</i> on November 17, 2008 McNEIL 005133-36
Opposer's Exhibit 64	"G2, Zyrtec Top New Product Sales in '08," published by <i>Brand Week</i> on March 23, 2009 McNEIL 005137-38
Opposer's Exhibit 65	"2010 Brand Keys Customer Loyalty Engagement Index," published by <i>Brand Keys</i> at http://www.brandkeys.com/awards , listing 2010 annual Brand Keys Customer Loyalty Engagement Winners McNEIL 005139-143
Opposer's Exhibit 66	"Brand Keys: 'Value' is New 'Price' in Customer Loyalty," published by <i>Media Post</i> on March 2, 2009 McNEIL 005144-45
Opposer's Exhibit 67	Collection of press clippings referencing ZYRTEC, Part 1, from November 2007 to October 2008 McNEIL 000239-0396
Opposer's Exhibit 68	Collection of press clippings referencing ZYRTEC, Part 2, from November 2007 to October 2008 McNEIL 000397-0546
Opposer's Exhibit 69	Collection of press clippings referencing ZYRTEC, Part 3, from January to March 2008 McNEIL 000547-0697
Opposer's Exhibit 70	Johnson & Johnson Media Plan for the ZYRTEC franchise for 2008 and 2009; media spend by ZYRTEC product from 1996 through June 2008 McNEIL 000731-740
Opposer's Exhibit 71	Press Releases post-FDA approval of cetirizine HCl/ZYRTEC, released November 2007 to April 2008 McNEIL 000141-192
Opposer's Exhibit 72	Johnson & Johnson Media Plan for the ZYRTEC franchise for 2009 McNEIL 005146-49
Opposer's Exhibit 73	Johnson & Johnson Media Plan for the ZYRTEC franchise for 2010 McNEIL 005150-54
Opposer's	Report prepared by RGA, a Johnson & Johnson interactive agency partner, tracking the presence of the ZYRTEC brand and its competitors on the Internet for

Descriptions of Opposer's Exhibits

Exhibit 74	2008 and 2009 McNEIL 001426-444
Opposer's Exhibit 75	Media plans, developed by Pfizer, Inc., for prescription ZYRTEC products from 2004 to 2007 P0001-022
Opposer's Exhibit 76	Market research report, prepared by Nielsen, that tracks brand information for the ZYRTEC brand, including total sales and advertising spend, from 1996 to 2007 P0023-034
Opposer's Exhibit 77	"ZYRTEC and ZYRTEC-D: TRX, NRX, and Sales Since Launch": report showing the number of prescriptions and total dollar sales for Pfizer, Inc. prescription ZYRTEC and ZYRTEC-D products from 1996 to 2007 McNEIL 000730
Opposer's Exhibit 78	"Project Zebra Zyrtec Professional Analysis": report reviewing promotional efforts undertaken by Pfizer, Inc. for ZYRTEC prescription products, directed to physicians and pharmacists, dated March 22, 2006 McNEIL 000704-729
Opposer's Exhibit 79	Resumé of Rohinish Hooda
Opposer's Exhibit 80	First Amendment to the OTC License Agreement, between licensee McNEIL-PPC, Inc. and licensor UCB, Inc., dated January 27, 2010, assigning all rights in the ZYRTEC mark to McNEIL-PPC, Inc. McNEIL 005040-056
Opposer's Exhibit 81	"Who is the Zyrtec User": report tracking brand equity of ZYRTEC with a focus on the ZYRTEC user, prepared in April 2008 McNEIL 000774-780
Opposer's Exhibit 82	"Upper Respiratory Shopper Insights: Marketing/Sales Strategy Presentation; October 26, 2006": research on shopper insights conducted by leading market research company Retail Forward McNEIL 000885-0919
Opposer's Exhibit 83	"Verbatim" chart compiling descriptions of messages sent in 2008 to the Johnson & Johnson/McNEIL-PPC, Inc. call center by customers with comments, suggestions, complaints or requests concerning ZYRTEC products McNEIL 001534-545
Opposer's Exhibit 84	"Verbatim" chart compiling descriptions of messages sent from January to June 2009 to the Johnson & Johnson/McNEIL-PPC, Inc. call center by customers with comments, suggestions, complaints or requests concerning ZYRTEC products McNEIL 001546-550

Descriptions of Opposer's Exhibits

Opposer's Exhibit 85	<p>"Verbatim" chart compiling descriptions of messages sent from the end of December 2008 to June 2009 to the Johnson & Johnson/McNEIL-PPC, Inc. call center by customers with comments, suggestions, complaints or requests concerning ZYRTEC products</p> <p>McNEIL 001765-02213</p>
Opposer's Exhibit 86	<p>"Verbatim" chart compiling descriptions of messages sent from August 2008 to August 2010 to the Johnson & Johnson/McNEIL-PPC, Inc. call center by customers with comments, suggestions, complaints or requests concerning ZYRTEC products</p> <p>McNEIL 005108-112</p>
Opposer's Exhibit 87	<p>Specimen: store brand of cetirizine HCl made by American Fare, 30 tablet package</p> <p>McNEIL 001179-180</p>
Exhibit 88	<p>Specimen: store brand of cetirizine HCl made by CareOne and sold by Super Stop & Shop stores, 30 tablet package</p> <p>McNEIL 001183-84</p>
Opposer's Exhibit 89	<p>Specimen: store brand of cetirizine HCl sold by Duane Reade, 45 tablet package</p> <p>McNEIL 001185-86</p>
Opposer's Exhibit 90	<p>Specimen: store brand of cetirizine HCl made by Member's Mark and sold by Sam's Wholesale stores, 350 tablet package</p> <p>McNEIL 001187-88</p>
Opposer's Exhibit 91	<p>Specimen: store brand of cetirizine HCl made by Equate sold by Walmart, 14 tablet package</p> <p>McNEIL 001189-190</p>
Opposer's Exhibit 92	<p>Specimen: store brand of cetirizine HCl sold by CVS pharmacy, 30 tablet package</p> <p>McNEIL 001191-92</p>
Opposer's Exhibit 93	<p>Specimen: store brand of cetirizine HCl made by Major, 30 tablet package</p> <p>McNEIL 001193-94</p>
Opposer's Exhibit 94	<p>Specimen: store brand of cetirizine HCl sold by Target, 14 tablet package</p> <p>McNEIL 001195-96</p>
Opposer's Exhibit 95	<p>Specimen: store brand of cetirizine HCl made by Kirkland Aller-Tec and sold by Costco, 300 tablet package</p> <p>McNEIL 001197-98</p>
Opposer's Exhibit 96	<p>Specimen: store brand of cetirizine HCl sold by Rite Aid drug stores, 30 tablet package</p> <p>McNEIL 001199-1200</p>
Opposer's Exhibit 97	<p>Specimen: store brand of cetirizine HCl made by Apotex Pharmaceuticals, 100 tablet package</p> <p>McNEIL 001205-08</p>

Descriptions of Opposer's Exhibits

Opposer's Exhibit 98	Specimen: ZYRTEC, 14 tablet package (individual blister packaging) McNEIL 001313
Opposer's Exhibit 99	Specimen: ZYRTEC Itchy Eye Drops
Opposer's Exhibit 100	Invoice sent by Johnson & Johnson to Walgreens on January 21, 2008 for \$684,000 worth of ZYRTEC OTC products McNEIL 000702
Opposer's Exhibit 101	Signature pages for the Stock and Asset Purchase Agreement (Opposer's Exhibit 2), signed on behalf of Pfizer, Inc. and Johnson & Johnson McNEIL 001648A-B
TRIAL DECLARATION OF GISELLE C. WOO	
Opposer's Exhibit 102	Search results list for references to the mark ZYRTEC in U.S. media using the United States News (database identifier = USNEWS) database of the online legal search service Westlaw McNEIL 002218-4887
Opposer's Exhibit 103	Search results list for references to the mark ZYRTEC in U.S. media using Westlaw's USNEWS database from January 1, 2000 and December 31, 2004 ("ZYRTEC and da(aft 1/1/2000 & bef 12/31/2004)") McNEIL 005177-5715
Opposer's Exhibit 104	Search results list for references to the mark ZYRTEC in U.S. media using Westlaw's USNEWS database from January 1, 2005 and December 31, 2009 ("ZYRTEC and da(aft 1/1/2005 & bef 12/31/2009)") McNEIL 005716-6159
Opposer's Exhibit 105	Search results list for references to the mark ZYRTEC in U.S. media using Westlaw's USNEWS database after January 1, 2010 that did not also reference the word "recall" ("ZYRTEC and da(aft 1/1/2010) %recall") McNEIL 006160-9498
Opposer's Exhibit 106	Summary of the contents of Westlaw's United States News database (database identifier = USNEWS), printed on January 14, 2010
OPPOSER'S NOTICE OF RELIANCE ON APPLICANT'S DEPOSITION TESTIMONY	
Opposer's Exhibit 107	Excerpts from the discovery deposition of Robert L. Tompkins, taken April 16, 2009
Opposer's Exhibit 108	Excerpts from the discovery deposition of Daniel Potts, taken May 1, 2009

Descriptions of Opposer's Exhibits

	OPPOSER'S NOTICE OF RELIANCE ON OFFICIAL RECORDS
Opposer's Exhibit 109	United States Patent and Trademark Office ("USPTO") Application Serial No. 76/682,070 obtained from TARR, representing Applicant's application to register the mark WAL-ZYR, filed September 19, 2007, the application at issue in this proceeding
Opposer's Exhibit 110	U.S. Registration No. 2,024,253 for the mark ZYRTEC in International Class 5 for "antihistamines"
Opposer's Exhibit 111	U.S. Registration No. 2,595,408 for the mark ZYRTEC-D 12 HOUR in International Class 5 for "Pharmaceutical preparations, ie antihistamines and decongestant agents"
Opposer's Exhibit 112	U.S. Registration No. 2,535,836 for the mark ZYRTEC-D in International Class 5 for "pharmaceuticals preparations, i.e. antihistaminic and decongestant agents"
Opposer's Exhibit 113	U.S. Registration No. 3,512,964 for the mark ZYRTEC & Design in International Class 5 for "pharmaceutical preparations, namely, antihistaminic and decongestant agents"
Opposer's Exhibit 114	U.S. Registration No. 3,512,965 for the mark Z & Design in International Class 5 for "pharmaceutical preparations, namely, antihistaminic and decongestant agents"
Opposer's Exhibit 115	U.S. Registration No. 3,512,967 for the mark ZYRTEC & Design in International Class 5 for "pharmaceutical preparations, namely, antihistaminic and decongestant agents"
OPPOSER'S NOTICE OF RELIANCE ON APPLICANT'S DISCOVERY RESPONSES	
Opposer's Exhibit 116	Applicant's response to Opposer's Request for Admission No. 3, dated November 21, 2008
Opposer's Exhibit 117	Applicant's response to Opposer's Interrogatories Nos. 7 and 12, dated November 5, 2010
Opposer's Exhibit 118	Documents produced by Applicant in this proceeding, stipulated by the parties as authenticated pursuant to Federal Rule of Evidence 901 (<i>see</i> Opposer's Exhibit 120)
Opposer's Exhibit 119	Opposer's First Set of Interrogatories to Applicant, dated October 17, 2008, which shows the definitions used across Opposer's discovery requests
Opposer's Exhibit 120	Stipulation for Introduction of Produced Documents at Trial, dated January 3, 2011

Descriptions of Opposer's Exhibits

OPPOSER'S REBUTTAL NOTICE OF RELIANCE ON DISCOVERY RESPONSES	
Opposer's Exhibit 121	General and Specific Objections from Opposer's First Amended Objections and Responses to Applicant's First Set of Interrogatories, dated October 27, 2010
OPPOSER'S REBUTTAL NOTICE OF RELIANCE ON DEPOSITION TESTIMONY	
Opposer's Exhibit 122	Excerpts from the discovery deposition of Robert L. Tompkins, taken April 16, 2009
Opposer's Exhibit 123	Excerpts from the discovery deposition of Rohinish Hooda, taken March 27, 2009
OPPOSER'S REBUTTAL NOTICE OF RELIANCE ON INTERNET MATERIALS	
Opposer's Exhibit 124	Printouts from the website www.walgreens.com showing Applicant's WAL-SOM product
OPPOSER'S REBUTTAL NOTICE OF RELIANCE ON OFFICIAL RECORDS	
Opposer's Exhibit 125	U.S. Registration No. 3,350,577 for the mark ICELAND PURE
Opposer's Exhibit 126	U.S. Registration No. 3,393,193 for the mark MEN'S ZONE TRITON
Opposer's Exhibit 127	U.S. Registration No. 3,393,192 for the mark MEN'S ZONE SPHINX
Opposer's Exhibit 128	U.S. Registration No. 3,393,191 for the mark MEN'S ZONE OLYMPUS
Opposer's Exhibit 129	U.S. Registration No. 3,123,743 for the mark ARCTIC FROST
Opposer's Exhibit 130	U.S. Registration No. 3,392,999 for the mark MEN'S ZONE
Opposer's Exhibit 131	U.S. Registration No. 3,419,882 for the mark STEAKHOUSE
Opposer's Exhibit 132	U.S. Registration No. 2,837,417 for the mark RAVINIA.
Opposer's	U.S. Registration No. 3,921,113 for the mark PET SHOPPE & Design

Descriptions of Opposer's Exhibits

Exhibit 133	
Opposer's Exhibit 134	U.S. Registration No. 3,779,493 for the mark STUDIO 35
Opposer's Exhibit 135	U.S. Registration No. 3,814,491 for the mark STUDIO 35
Opposer's Exhibit 136	U.S. Registration No. 3,814,490 for the mark WEXFORD
Opposer's Exhibit 137	U.S. Registration No. 3,846,573 for the mark STUDIO 35
Opposer's Exhibit 138	U.S. Registration No. 3,814,470 for the mark MY PERSONAL MOVIE
Opposer's Exhibit 139	U.S. Registration No. 3,851,467 for the mark RENEW NATURALS
Opposer's Exhibit 140	U.S. Registration No. 3,920,560 for the mark HOME ELEMENTS
Opposer's Exhibit 141	U.S. Registration No. 3,782,676 for the mark MEN'S ZONE
Opposer's Exhibit 142	U.S. Registration No. 3,773,317 for the mark CERTAINTY
Opposer's Exhibit 143	U.S. Registration No. 3,901,304 for the mark CAFÉ W
Opposer's Exhibit 144	U.S. Registration No. 3,726,588 for the mark PURE AMERICAN
Opposer's Exhibit 145	U.S. Registration No. 3,838,665 for the mark FIBER SELECT
Opposer's Exhibit 146	U.S. Registration No. 3,713,282 for the mark LIVING SOLUTIONS
Opposer's Exhibit 147	U.S. Registration No. 3,713,271 for the mark DURA-NAMEL
Opposer's Exhibit 148	U.S. Registration No. 3,602,447 for the mark HOME ELEMENTS
Opposer's Exhibit 149	U.S. Registration No. 3,710,088 for the mark LIVING SOLUTIONS
Opposer's Exhibit 150	U.S. Registration No. 3,598,254 for the mark SNACKIN' FLAX
Opposer's Exhibit 151	U.S. Registration No. 3,598,175 for the mark ARIES
Opposer's	U.S. Registration No. 3,441,708 for the mark PHARMACIST'S SUPPORT

Descriptions of Opposer's Exhibits

Exhibit 152	
Opposer's Exhibit 153	U.S. Registration No. 3,481,162 for the mark DEERFIELD TRADING CO
Opposer's Exhibit 154	U.S. Registration No. 2,967,988 for the mark RAVINIA ACCENTS
Opposer's Exhibit 155	U.S. Registration No. 3,633,538 for the mark PATRIOT CANDLES
Opposer's Exhibit 156	U.S. Registration No. 3,655,114 for the mark HAZELWOOD GOURMET
Opposer's Exhibit 157	U.S. Registration No. 3,565,034 for the mark CORNER OFFICE
Opposer's Exhibit 158	U.S. Registration No. 3,722,729 for the mark PET SHOPPE & Design
Opposer's Exhibit 159	U.S. Application Serial No. 76/686,974 for the mark BLITZ
Opposer's Exhibit 160	U.S. Registration No. 3,486,882 for the mark GOLD SEAL
Opposer's Exhibit 161	U.S. Registration No. 3,661,234 for the mark CALCIUM CREAMIES
Opposer's Exhibit 162	U.S. Registration No. 3,482,893 for the mark A ALLATION
Opposer's Exhibit 163	U.S. Registration No. 3,451,829 for the mark DRAGON SCALE
as Opposer's Exhibit 164	U.S. Registration No. 3,516,900 for the mark ALLATION
Opposer's Exhibit 165	U.S. Registration No. 3,474,462 for the mark STUD
Opposer's Exhibit 166	U.S. Registration No. 3,524,580 for the mark ANCHORAGE
Opposer's Exhibit 167	U.S. Registration No. 3,521,072 for the mark CERTAINTY
Opposer's Exhibit 168	U.S. Registration No. 3,612,824 for the mark RAVINIA
Opposer's Exhibit 169	U.S. Registration No. 3,529,570 for the mark SKIN ESSENTIALS
Opposer's Exhibit 170	U.S. Registration No. 3,342,548 for the mark STUDIO 35
Opposer's	U.S. Registration No. 3,398,957 for the mark THE PURE CRYSTAL

Descriptions of Opposer's Exhibits

Exhibit 171	COLLECTION
Opposer's Exhibit 172	U.S. Registration No. 3,441,254 for the mark STUDIO 35
Opposer's Exhibit 173	U.S. Registration No. 3,273,303 for the mark REAL SOFT
Opposer's Exhibit 174	U.S. Registration No. 3,389,395 for the mark STUDIO 35 & Design
Opposer's Exhibit 175	U.S. Registration No. 3,423,356 for the mark STUDIO 35
Opposer's Exhibit 176	U.S. Registration No. 3,449,982 for the mark XCEL
Opposer's Exhibit 177	U.S. Registration No. 3,303,259 for the mark WAGI
Opposer's Exhibit 178	U.S. Registration No. 3,266,514 for the mark PORT-TABLE
Opposer's Exhibit 179	U.S. Registration No. 3,673,345 for the mark HOME ELEMENTS
Opposer's Exhibit 180	U.S. Registration No. 3,155,945 for the mark PENWAY & Design
Opposer's Exhibit 181	U.S. Registration No. 3,303,240 for the mark PENWAY KIDS & Design
Opposer's Exhibit 182	U.S. Registration No. 3,291,396 for the mark HOT STOP
Opposer's Exhibit 183	U.S. Registration No. 3,676,807 for the mark DULZURAS ISLEÑAS & Design
Opposer's Exhibit 184	U.S. Registration No. 3,356,827 for the mark WICKSICLES
Opposer's Exhibit 185	U.S. Registration No. 3,275,937 for the mark THERAGRAN-M
Opposer's Exhibit 186	U.S. Registration No. 3,152,674 for the mark BIOINFUSION & Design
Opposer's Exhibit 187	U.S. Registration No. 3,179,083 for the mark BIO & Design
Opposer's Exhibit 188	U.S. Registration No. 3,221,078 for the mark FINEST NATURAL & Design
Opposer's Exhibit 189	U.S. Registration No. 3,221,077 for the mark FINEST & Design
Opposer's	U.S. Registration No. 3,118,974 for the mark COMFORT-SMOOTH (Stylized)

Descriptions of Opposer's Exhibits

Exhibit 190	
Opposer's Exhibit 191	U.S. Registration No. 3,197,173 for the mark FROSTERS
Opposer's Exhibit 192	U.S. Registration No. 3,108,568 for the mark DEERFIELD FARMS & Design
Opposer's Exhibit 193	U.S. Registration No. 3,225,459 for the mark SUN FUSION (Stylized)
Opposer's Exhibit 194	U.S. Registration No. 3,275,879 for the mark SIGNATURE CLASSICS
Opposer's Exhibit 195	U.S. Registration No. 3,151,438 for the mark HEART SELECT
Opposer's Exhibit 196	U.S. Registration No. 3,127,464 for the mark CORNER OFFICE
Opposer's Exhibit 197	U.S. Registration No. 3,159,628 for the mark PERFECTION
Opposer's Exhibit 198	U.S. Registration No. 3,220,438 for the mark BLUE STEEL SECURITY
Opposer's Exhibit 199	U.S. Registration No. 3,114,761 for the mark CORNER OFFICE
Opposer's Exhibit 200	U.S. Registration No. 3,000,387 for the mark REGAL DYNASTY
Opposer's Exhibit 201	U.S. Registration No. 3,000,386 for the mark GHOULISH
Opposer's Exhibit 202	U.S. Registration No. 3,117,716 for the mark DESIGNER'S SELECT
Opposer's Exhibit 203	U.S. Registration No. 3,006,309 for the mark HYDROXYLE\$\$
Opposer's Exhibit 204	U.S. Registration No. 3,080,224 for the mark RAVINIA ACCENTS
Opposer's Exhibit 205	U.S. Registration No. 3,011,897 for the mark SWEET TIME
Opposer's Exhibit 206	U.S. Registration No. 3,154,532 for the mark SKIN ESSENTIALS
Opposer's Exhibit 207	U.S. Registration No. 3,275,710 for the mark DAILY DOSE
Opposer's Exhibit 208	U.S. Registration No. 2,998,798 for the mark ALLER-MELTS
Opposer's	U.S. Registration No. 2,922,490 for the mark GIN-ZING

Descriptions of Opposer's Exhibits

Exhibit 209	
Opposer's Exhibit 210	U.S. Registration No. 2,962,883 for the mark GRID LIGHTS
Opposer's Exhibit 211	U.S. Registration No. 2,907,118 for the mark DRIVE THRU AMERICA
Opposer's Exhibit 212	U.S. Registration No. 2,925,646 for the mark C'EST MOI IT'S ME & Design
Opposer's Exhibit 213	U.S. Registration No. 2,878,573 for the mark SPEED WHEELS
Opposer's Exhibit 214	U.S. Registration No. 2,800,043 for the mark HEARTHSIDE
Opposer's Exhibit 215	U.S. Registration No. 2,709,322 for the mark SOOTHE
Opposer's Exhibit 216	U.S. Registration No. 2,762,743 for the mark ESTRONATURAL
Opposer's Exhibit 217	U.S. Registration No. 3,043,125 for the mark FRESH BREATH
Opposer's Exhibit 218	U.S. Registration No. 2,738,679 for the mark PLAYRIGHT
Opposer's Exhibit 219	U.S. Registration No. 2,803,119 for the mark WEXFORD
Opposer's Exhibit 220	U.S. Registration No. 2,712,091 for the mark SIGNATURE GOURMET
Opposer's Exhibit 221	U.S. Registration No. 2,631,231 for the mark THE SECRETS OF PARADISE
Opposer's Exhibit 222	U.S. Registration No. 2,591,346 for the mark ARIES
Opposer's Exhibit 223	U.S. Registration No. 2,948,581 for the mark ARIES
Opposer's Exhibit 224	U.S. Registration No. 2,540,379 for the mark HARVEST FAIRE
Opposer's Exhibit 225	U.S. Registration No. 2,573,448 for the mark COMPLETE NUTRITION CENTER
Opposer's Exhibit 226	U.S. Registration No. 2,626,899 for the mark FAST READ
Opposer's Exhibit 227	U.S. Registration No. 2,563,533 for the mark WOMAN'S WAY
Opposer's	U.S. Registration No. 2,451,013 for the mark CHAMBLY (Stylized)

Descriptions of Opposer's Exhibits

Exhibit 228	
Opposer's Exhibit 229	U.S. Registration No. 2,459,624 for the mark COMFORT ASSURED
Opposer's Exhibit 230	U.S. Registration No. 2,446,020 for the mark COMFORT ASSURED
Opposer's Exhibit 231	U.S. Registration No. 2,458,207 for the mark THERAGRAN M ADVANCED
Opposer's Exhibit 232	U.S. Registration No. 2,407,002 for the mark RAIN MATE
Opposer's Exhibit 233	U.S. Registration No. 2,235,306 for the mark WINNING HAND
Opposer's Exhibit 234	U.S. Registration No. 2,129,833 for the mark STUD & Design
Opposer's Exhibit 235	U.S. Registration No. 2,159,884 for the mark FRESH BREATH
Opposer's Exhibit 236	U.S. Registration No. 2,060,828 for the mark STUDIO 35
Opposer's Exhibit 237	U.S. Registration No. 2,018,156 for the mark KITCHEN GOURMET
Opposer's Exhibit 238	U.S. Registration No. 1,911,003 for the mark NATURE'S FINEST
Opposer's Exhibit 239	U.S. Registration No. 1,950,154 for the mark PENWAY
Opposer's Exhibit 240	U.S. Registration No. 1,915,278 for the mark PURE AMERICAN
Opposer's Exhibit 241	U.S. Registration No. 1,886,507 for the mark ASSURED RELEASE & Design
Opposer's Exhibit 242	U.S. Registration No. 1,412,006 for the mark THERAGRAN-M & Design
Opposer's Exhibit 243	U.S. Registration No. 1,325,585 for the mark FRESH STIX & Design
Opposer's Exhibit 244	U.S. Registration No. 1,237,587 for the mark LADY VELVET
Opposer's Exhibit 245	U.S. Registration No. 628,558 for the mark THERAGRAN
Opposer's Exhibit 246	U.S. Registration No. 2,755,771 for the mark KITCHEN GOURMET
Opposer's	U.S. Registration No. 3,534,483 for the mark DETAILS

Descriptions of Opposer's Exhibits

Exhibit 247	
Opposer's Exhibit 248	U.S. Registration No. 3,378,283 for the mark A BLEND OF SCIENCE AND NATURE
Opposer's Exhibit 249	U.S. Registration No. 2,794,947 for the mark LIVING SOLUTIONS
OPPOSER'S REBUTTAL NOTICE OF RELIANCE ON APPLICANT'S DISCOVERY RESPONSES	
Opposer's Exhibit 250	Survey certification pages for report on likelihood of confusion, prepared by Simonson Associates, Inc. in July 2009 W4332-4735
Opposer's Exhibit 251	Carbonview survey questionnaire used in connection with the survey on likelihood of confusion conducted on behalf of Simonson Associates, Inc. W5237-262
JAMES DONOHUE DEPOSITION TESTIMONY	
Donohue Ex. 1	Notice of Deposition of Pfizer Inc., dated July 17, 2009
Donohue Ex. 2	Pfizer Media Plan for ZYRTEC products for 2003 P0001-03
Donohue Ex. 3	Pfizer Media Plan for ZYRTEC products for 2004 P0004-09
Donohue Ex. 4	Pfizer Media Plan for ZYRTEC products for 2005 P0010-12
Donohue Ex. 5	Pfizer Media Plan for ZYRTEC products for 2006 P0013-18
Donohue Ex. 6	Pfizer Media Plan for ZYRTEC products for 2007 P0019-22
Donohue Ex. 7	Market research report, prepared by Nielsen, that tracks brand information for ZYRTEC, including total sales and advertising spend, from 1996 to 2007 P0023-034

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing **Trial Brief for Opposer** to be deposited with the United States Postal Service as First Class mail, postage prepaid, in an envelope addressed to counsel for Walgreen Co., Mark Liss, Esq., Leydig, Voit & Mayer, Ltd., Two Prudential Plaza, 180 N. Stetson Avenue, Suite 4900, Chicago, IL 60601, this 15th day of July, 2011.



Giselle C. Woo